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Thursday June 27 1996

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It's time to drop the bomb?

pages 10/11

In the third minute, England fans thought it might be all over . . . two hours later, it was

Penalty kicks appear to have replaced football, but the match was an absolute classic

Matthew Engel

THE great resurgence of English football, which had lasted all of 11 days, ended at Wembley last night when the history England did not want repeated itself and they were knocked out of the European Championship by Germany in a penalty shoot-out.

Gareth Southgate will now live forever with the mantle worn for the past six years by Stuart Pearce.

After five kicks from each side had gone in, he hit the 11th only just right of goal-keeper Koepcke and it was comfortably saved.

He returned to join his team-mates in despair: Andreas Moeller, the German captain, calmly took the kick that gave his team victory. And, after a brief eruption from the German contingent, the crowd left the ground in near-silence.

Germany, as ever, will now be hot favourites to win the tournament on Sunday night. They meet the Czech Republic, who beat France in the other semi-final — also on penalties.

The population of England, most of whom were believed to be watching on TV last night, can now resume the normal summertime business of watching Wimbledon and washing their cars.

Although penalty kicks now appear to have replaced football as the object of the championship, the climax was preceded by a match that will be remembered as an absolute classic.

The game ended 1-1 after normal time and extra time. But there was more football in the average minute of this contest than in the whole of the dreary Old Trafford semi-final, when the French were bitterly disappointing.

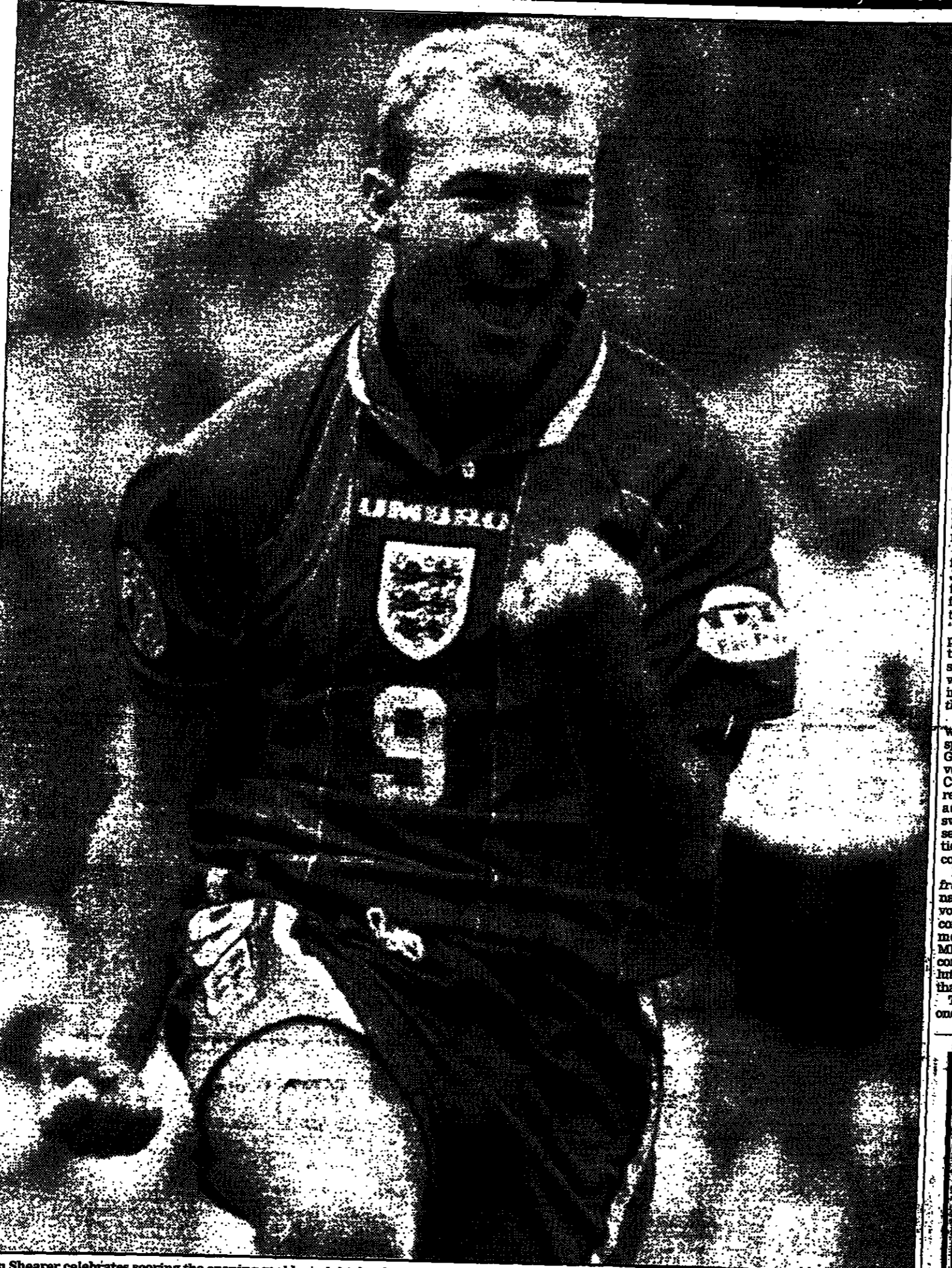
England took the lead after only 12 seconds when Alan Shearer headed in his fifth goal of the tournament before the German defence had sorted themselves out.

Nemesis followed hubris. Germany equalised through Kuntz after 15 minutes. That was the last proper goal of the match.

But the miracle was that either side might have scored a dozen.

England, if anything, were the more positive of two teams that probably astonished themselves as well as the crowd by the fluency of their football. It was as though the early goals defused the tension and replaced it with sheer excitement.

Inevitably, though, the match went to extra time. At



Alan Shearer celebrates scoring the opening goal last night, but it all ended in gloom when England lost the penalty shoot-out

PHOTOGRAPH BY IAN WATSON

any time, under the "golden goal" rule, it looked as though it would be over.

Anderton hit the post, and Gascoigne, who played brilliantly, almost scored twice. The Germans, meanwhile, did put the ball in the net but it was disallowed because of pushing.

Shearer's near-miss led to the England coach Terry Venables burying his head in his hand. His tenure is now over and he hands over to Glenn Hoddle.

Venables said afterwards: "We've nothing to be downhearted about except the actual result."

"I couldn't have wished for anything more from the players. They can look forward to a good future."

He made a special effort to comfort the desolate Southgate: "He only had a few games for England before this tournament and I think he's been magnificent throughout."

Match report, page 16

Game that stopped the nation

• Hundred of tickets were left unsold for the Royal Opera House's production of Verdi's Nabucco last night. Seats are normally snapped up a month ahead.

• The kick-off time for John Major's speech on the constitution in Westminster was brought forward 30 minutes to 6pm. "For the convenience of his audience," Downing Street insisted.

• AA Roadwatch reported early evening congestion in London as commuters raced home early for the opening whistle. Traffic later around the country was "absolutely dead".

• The Commons chamber was left almost deserted throughout the evening as a few dedicated MPs struggled with the bureaucracy and patient care debate.



Statistics are this morning eagerly awaiting figures for last night's TV ratings. Other records to

beat include: 1996 World Cup final — 26 million viewers; Princess Diana interview — 25 million.

• It is rare that a ministerial invitation to drinks at the Foreign Office is turned down. But regrets poured from such a state that Foreign Office Minister Jeremy Hanley took the wise step of postponing his drinks party planned for last night until September.

• At Wimbledon early evening crowds thinned out as tennis fans hurried home to watch the big game. A whistled "England have scored" brought a muted cheer as Tim Henman and Danny Sapsford were doing battle on Number One Court in a match delayed by the sensational defeat of second seed Monica Seles.

Scottish rage at Labour switch

Michael White Political Editor

THE Labour leadership's decision to submit its plans for Welsh and Scottish assemblies to twin referendums of the voters last night convulsed the ranks of Labour MPs at Westminster and brought both anger and scorn down on Tony Blair's head from his political enemies.

As one pro-devolution frontbencher, the Scots MP, John McAllion, wavered on the edge of resignation in the face of what the Scottish Nationalist Party denounced as "a betrayal of gigantic proportions," John Major twisted the knife with a speech that accused Labour of wriggling "to avoid answering the questions that expose the folly of their plans."

But the Labour leader, whose Welsh and Scottish spokesmen — Ron Davies and George Robertson — will unveil the revised package in Cardiff and Glasgow today, remained convinced that his advisory team's strategic switch will prevent the Conservatives using the devolution issue effectively at the coming election.

Most Labour MPs and some frontbenchers were caught napping by the news and voiced anger at the lack of consultation at their weekly meeting. Anti-devolution MPs, some convinced that the concession may kill off devolution, were notably happier than supporters.

Though Robin Cook was once among Labour's anti-devolutionists, he has long since embraced the majority view.

Mr Robertson, Gordon Brown and Donald Dewar are ardent advocates of an assembly. Among English Labour MPs outside the North-east there is widespread scepticism about the attractions of regional government.

Mr McAllion, MP for Dundee East since 1987 and Labour's Scottish constitutional spokesman, said he would decide whether to quit, probably tomorrow, after hearing Mr Robertson's statement. It is clear that the 49-year-old MP, who sits on Labour's "Scotland United" nationalistic wing, had been left out of the ad hoc group which redrafted the package.

Some MPs claimed that Mr Davies, less of a Blairite loyalist than Mr Robertson, had also been in the dark because he publicly criticised the pre-legislative referendum option as recently as Monday and had argued that an election win would provide sufficient mandate. He denies this.

But the plan for parallel referendums in Scotland and Wales before legislation is enacted in 1997-98 — unlike Labour's abortive referendums in 1979 — is officially intended to "entrench" the two assemblies from the threat of abolition by a subsequent Tory government.

Voting would take place within six months, possibly three, of a general election win.

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Sketch

Contradiction, not contraction



Simon Hoggart

THOSE of us who believe passionately in Scottish independence, and would paint blue stripes on our faces if we thought it would help, found our views much strengthened yesterday.

For one thing, John Major made a speech against it, and for another, Parliament spent the best part of an hour on one of those absurd little paradoxes — or "contradictions" as the Marxists used to call them, and probably still do, since most Marxists have been quite unfazed by the collapse of Marxism.

On Tuesday three SNP members staged a sit-in at the Scottish standing committee, which was debating a bill on Scottish education. They were protesting against the fact that three members of the committee sit for English seats, drafted in to allow the Tory government a majority, even though only a handful of Conservatives actually sit for Scottish seats.

Got that? Anyhow, the three MPs had refused to leave the seats they were squatting in, and yesterday Tony Newton, the Leader of the House, proposed a motion which would allow the Serjeant at Arms to throw them out, by force if necessary. Since the Serjeant never goes anywhere without his trusty stick, or at least a sword, that is no idle threat.

Alex Salmond, the SNP leader, rose to oppose. (Mr Salmond is the MP for Banff. A previous member was a Tory, David Myles, who was rather over-confident in his manner. Once he brusquely demanded a drink from one of the staff on the Terrace, a fellow known to all as the Rudest Barman in the World. "Are you a member?" asked the Rudest Barman. He puffed out his chest. "I'm Myles from Banff." "Aren't we all," said the barman. "I art if you was a member.")

Meanwhile, the two big parties asked the Serjeant the vote up, and the Serjeant was given permission to run Mr Salmond through the vitals by 349 votes to five.

Mr Salmond had decided to enjoy himself and treated us all to a mini-filibuster. This does not need to be long, merely longer in words than in meaning. We knew it was going to be a filibuster when he said he would be brief, since he did not want to stop English MPs from catching the football.

Since this was not due to start for three hours and 58 minutes, it seemed more like a threat than a promise. The art of the filibuster is a difficult one, since under the rules of order you may not stray from the subject. Unlike US senators, who can read out their local phone books, our MPs must cling, however feebly, to the topic in hand.

So filibusters always give way, especially to the more long-winded members. Once they have heard the interruption they devote a few graceful words to the MP concerned, reflecting on his years of service to the House, his devotion to the cause of fair play, his sagacious views on all matters, and so forth.

Now and again Tories asked why, since the SNP has a policy of never voting on purely English business, they had voted against the nursery vouchers bill. Mr Salmond said that, er, their policy hadn't changed, but that nursery vouchers were clearly getting a trial run for Scotland.

This subtle metaphysical difference — they feel they can vote on bills which might one day, in the distant future, have something to do with Scotland — kept him going for another 10 minutes.

Robert the Bruce could have learned something about dogged determination from Mr Salmond. As for the spider, it would have packed up and gone home hours ago.

Lilley pins hopes on figures showing low paid did relatively better than top earners during Tory years

Study 'rebutts poverty myth'

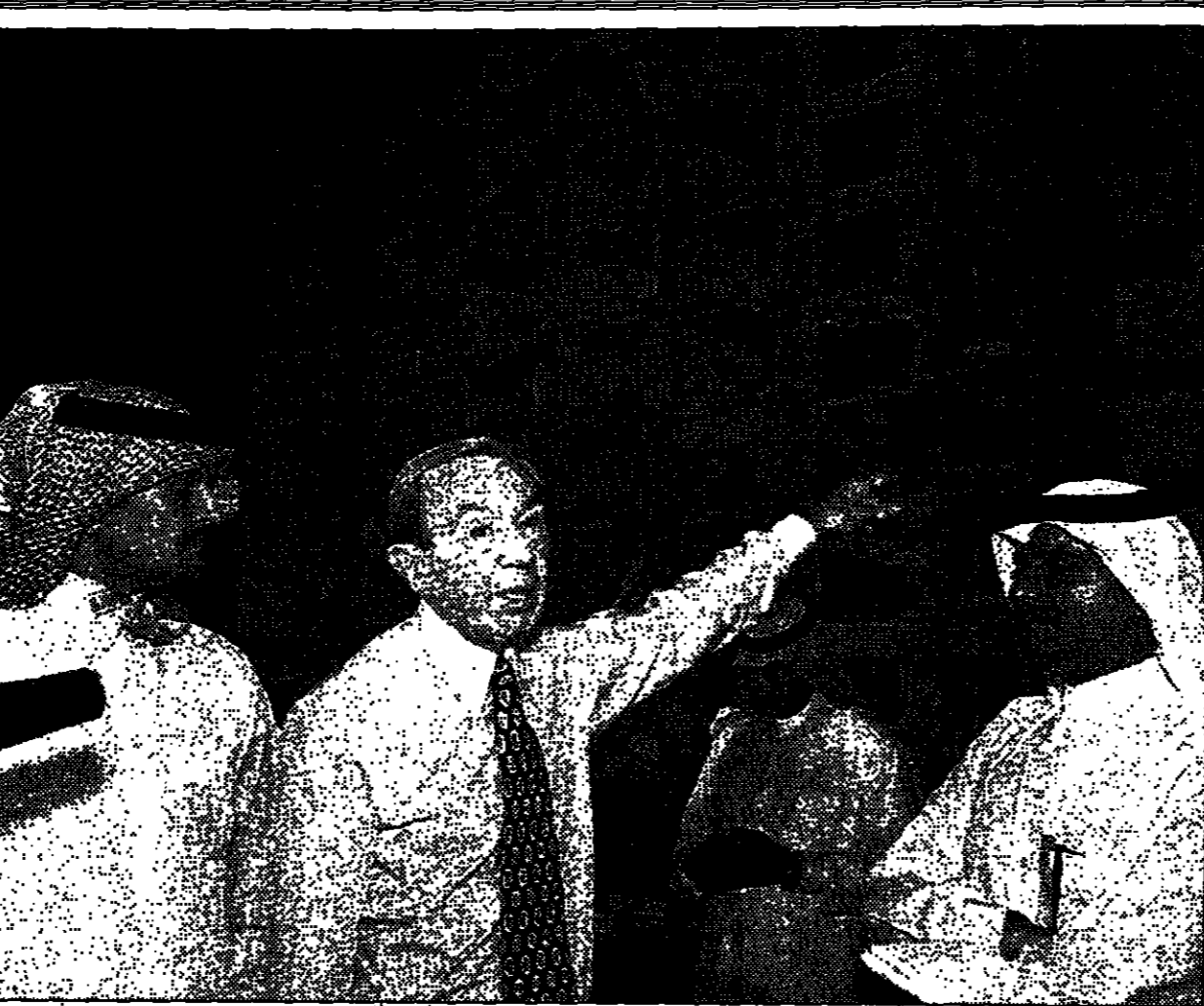
Britain has no official poverty line, but all the indicators normally used have suggested that the nation became increasingly unequal after the Conservatives came to power.

Numbers on income below half the average almost tripled between 1979 and 1992/93: numbers on or below the level of income support rose from 7.7 million (14 per cent of the population) in 1979 to 13.7 million (24 per cent) in 1992; average income of the poorest tenth of the population fell 17 per cent in real terms between 1979 and 1992/93.

Two ways of looking at income

DSS data shows: ● Numbers living below half average income rose from 5 million (9 per cent of population) in 1979 to 14.1 million (25 per cent) in 1992-93. Richest tenth of population had 82 per cent rise in income, poorest tenth a 17 per cent cut. Peter Lilley's study shows: ● Top fifth of male earners in 1978 enjoyed 33 per cent rise in real earnings by 1992/93. But bottom fifth increased earnings by 42 per cent.

real increases in their earnings over the period." The findings offer evidence for the minister's contention that although the earnings ladder lengthened markedly in the 1980s, there was considerable movement up and down it and most of those at the bottom did not stay there. Only about 16 per cent of the men in the bottom tenth in 1978/79 were there in 1992/93, the study shows. Moreover, only just over 4 per cent remained in the bottom group throughout the period. Those in the bottom fifth saw an average 42 per cent rise in real earnings compared to only 33 per cent among those starting in the top fifth. About 90 per cent of those in the bottom tenth in 1978 had a real earnings increase by 1992/93. Across the survey group as a whole, only 75 per cent did so.



Secretary of state Warren Christopher at the US military quarters where a bomb killed 19

US rallies G7 on terrorism

President Clinton is to insist that today's summit addresses security after bomb kills 19 American troops in Saudi Arabia

President Bill Clinton will insist that terrorism become the priority of the G7 summit which opens in Lyon today, as FBI investigators in Saudi Arabia investigate the bombing which killed 19 Americans at the Dhahran air base.

Our struggle is to deal with terrorists who strike not just in Saudi Arabia, but in the holy land and in America's heartland' — President Clinton

"We cannot have economic security in a global economy unless we stand against these forces of terrorism," the president said as he left for Europe. "The United States will lead the way, and we expect our allies to walk with us hand-in-hand."

Warren Christopher, the secretary of state, flew to Dhahran yesterday — a less provocative presence than his predecessor.

Any results on terrorism from the Lyon summit will depend heavily on co-operation agreements on international crime, smuggling, money-laundering and drug-trafficking reached at last year's Canadian G7 summit.

The three-ton load of explosives left a crater 35ft deep, killed 19 Americans, seriously wounded 80 other people, 64 of them Americans, and left another 308 slightly injured.

John Major called the attack "an act of pure evil" while the Foreign Secretary, Malcolm Rifkind, said: "The British Government condemns in the strongest possible terms the appalling terrorist attack."

The difficulty in the US military and diplomatic alliance with the oil-rich sheikhdoms and monarchies of the Gulf is that "tolerance and freedom" are qualities not usually associated with the kingdom.

Review

New texture from old instruments

Andrew Clements

London Classical Players/Norrington City of London Festival

A DECADE ago, hearing any 19th century music, even a Beethoven symphony, played on original instruments would have been quite a novelty. Now Beethoven has become very much part of the authentic scene, so too has Schubert.

None of these explorers has been more intrepid than Roger Norrington; he has already performed and recorded Brahms and Wagner with an orchestra using the instruments that the composers would have known, and even tackled a Bruckner symphony.

Where it will all end remains to be seen, but meanwhile there is still plenty of fertile territory in the second half of the 19th century to be exploited.

Even so Norrington and his orchestra, the London Classical Players, opened the City of London Festival in the Guildhall last night with a pretty unlikely piece of period reconstruction, Smetana's cycle of symphonic poems Ma Vlast, his peasant to Czech nationalism.

The differences between Smetana's score as played by a present-day orchestra, and as the composer would have expected to hear it, are not nearly as radical as, say, the contrast between a Bach Brandenburg Concerto played according to baroque tuning and convention and a performance (very rare nowadays) on modern strings and wind, but they are still real enough.

● This review appeared in later editions yesterday

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MPs ready to challenge Birt on BBC change

Andrew Cull Media Correspondent

JOHN Birt, the BBC's director general, is expected to face a new grilling from MPs following his radical restructuring of the corporation.

The all-party National Heritage select committee is planning to launch a fresh inquiry into the BBC in the autumn, it emerged yesterday. It would have powers to summon witnesses, including Mr Birt and the BBC's chairman, Sir Christopher Bland.

The move was welcomed by viewer and listener organisations, which have complained of a lack of consultation about the shake-up, heralded by Mr Birt as preparing the BBC for the digital age.

Critics have alleged the reorganisation downgraded the status of radio and threatened to destroy the character of World Service radio. Gerald Kaufman, the Labour chairman of the committee, confirmed an inquiry into the BBC was being considered. "It is something we will decide in the autumn. If we do go ahead it will include everything about the BBC, not just the restructuring."

Mr Kaufman has been an outspoken critic of changes at Radio 3. It would be the committee's second inquiry into the BBC — in 1993 it backed the removal of the charter and the licence fee for 10 years.

Jocelyn Hay, chairman of the Voice of the Listener and Viewer, said: "Far too little information has been provided by the BBC. There have been virtually no facts, just assertions that the changes will save money."

Rachel Mayhew, of the Radio 4 Watch pressure group, welcomed the planned investigation. "What the BBC is doing is unconstitutional. There is no consensus for the changes and radio is bound to be sidelined under the new structure."

The scale of the changes surprised senior BBC executives as time goes on upon the intangible assets it has built up and which, I hope and trust, it will be imaginative enough to sustain," he said.

Three consumer bodies clubbed together, with the backing of the BBC and the Independent Television Commission, to demand legislation to ensure a single set-top decoder for digital television.

Scots and Welsh furious at Labour over referendums

continued from page 1 also be asked if they want the Edinburgh assembly to enjoy tax-raising powers, some Labour strategists must be hoping that they will say No. That would relieve a Blair government of having to deal with what Tory ministers have dubbed the "tartan tax" — a potent campaign issue in the hands of the Scottish Secretary, Michael Forsyth.

Last night Mr Forsyth declared: "Labour's devolution policy is now a shambles. They are making it up as they go along."

In a speech to a London think tank, Mr Major warned: "It's no use the Opposition retreating and trying to dodge the argument by pledging a referendum. A referendum would do nothing to make these plans less dangerous."

As today's announcements are about procedure, not substance, shadow ministers will campaign for a Yes on tax, Wales, which will not have that option, will be offered an assembly elected on proportional representation to bring it into line with Scotland. That, too, will divide Welsh Labour MPs.

Some Liberal Democrats, including the party's Welsh leader, Alex Carlile, gave the move a cautious welcome. Alex Salmond, SNP leader at Westminster, was furious. "This is a betrayal of gigantic proportions. Labour have been saying in Scotland for the last six years that devolution was unfinished business and that there was no need for a referendum and that a general election would decide it," he said.

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'Until that moment, even though shots had been fired into the house, I never believed my life was in danger. I haven't given up because I genuinely think it is a job that has to be done. I just would not give in to them'

—Veronica Guerin



Veronica Guerin in hospital after an earlier warning shooting at her Dublin home when she was wounded in the thigh

PHOTOGRAPH: THE STAR, IRELAND

Dublin hitmen kill reporter

Award-winning woman crime writer who exposed the godfathers of the Irish drugs underworld is intercepted by motorbikers and gunned down at city traffic lights

David Sharrock
Ireland Correspondent

An award-winning crime journalist and scourge of Dublin's drugs underworld was shot dead in the Irish capital yesterday, apparently by contract killers. Veronica Guerin, who has exposed a number of Dublin's criminal godfathers in the Sunday Independent, was shot in her car on the Naas dual carriageway in Co Dublin at around 1pm. Two men on a motorbike, wearing white crash helmets,

intercepted Ms Guerin's car at traffic lights on a slip road in Clonsilla. One fired a handgun, killing her instantly. The shooting bore a chilling resemblance to the murder of one of Ms Guerin's journalistic subjects, Martin Cahill, known as the General, who was shot dead by the IRA in August 1994. The deputy prime minister, Dick Spring, said no effort would be spared to bring her killers to justice. Ms Guerin was 36 and married to a builder, Graham Turley. They have a 7-year-old son, Cathal, and live at Clonsilla, near Dublin airport north of the capital. It was there that she was

shot in the thigh last year by a lone gunman, riding a motorbike and wearing a black crash helmet. Ms Guerin was on her way back from Naas district court when she was killed and minutes before had telephoned her deputy editor, Willie Keely, to discuss an article about another Dublin criminal. Mr Keely said: "We are all shocked. This is a tragedy and an outrage." Police Superintendent Bryan O'Higgins said: "We have a description of the gunman passenger who did the shooting. He is about 30 years of age, fair complexion with blue eyes. He had a moustache and a tubby build. The driver of the motorbike was smaller. Both wore white helmets." Friends and colleagues said Ms Guerin had been increasingly concerned about her safety following a warning shooting in February 1995. Ms Guerin described that

shooting: "The door was pushed in on top of me and I fell back. There was a figure standing in front of me... and the first thing my eyes were drawn to was a handgun. I looked up to his eyes to appeal to him — don't shoot me. I remember noticing for the first time that he had a black motorcycle helmet on. "I just put my hands up to my head and went down on to the ground" and went into a foetus-like position. I felt a roar come out of me and he just seemed to bring the gun down across my body and it was on my leg and then there was a shot. "I suppose I thought somebody was angered by something I had written. Until that moment, even though shots had been fired into the house in October, I never believed my life was in danger. I haven't given up because I genuinely think it is a job

that has to be done. I just would not give in to them." She was given police protection and had a £25,000 security system installed, but continued to write about criminals. She was awarded the prestigious International Press Freedom Award. Then in September she was assaulted and threatened by a businessman just released from prison. The man told another journalist: "Listen pal, I'll find out who you are and I'll kill you, too." Ms Guerin famously scooped colleagues by getting the first interview with the Bishop of Galway, Ramon Casey, after he fled to South America following revelations about his son. Her final article, in last weekend's Sunday Independent, was about how the operation commander of the IRA's southern division sanctioned a robbery which resulted in the murder of a

Garda detective. Ms Guerin's last words read: "The IRA used the ceasefire to prepare for a bombing campaign in England. The ceasefire put an end to regular observation of IRA activists. "Special Branch officers who, up to the ceasefire, were working exclusively on IRA investigations, were now also assigned to working on Dublin's criminal underworld." Ms Guerin was due to take part in a conference in London this week on the theme: "Journalists under Fire. Media under Siege. John Owen, executive director of the Freedom Forum, which is organising the conference, said: "It is a terrible, awful irony, much of this conference is to do with journalists killed in various ways, but Veronica's death shows that you don't have to go to a war zone to get killed." Ms Guerin was 36. **Obituary, page 10**

Ireland registers shock as turf wars cast their lengthening shadow over the life of a not-so-fair city

ASERIES of murders in Dublin, most of them the result of drugs "turf wars", have shocked a society that still thought of itself as remarkably law-abiding and decent, writes David Sharrock. Veronica Guerin came into frequent contact with the leading figures of Irish crime, many of whom are now dead. The most famous was Martin Cahill, nicknamed "the General", who finally crossed the IRA once too often and died in strikingly similar circumstances to the reporter who frequently wrote about and interviewed him.

The gunman who despatched Cahill in August 1994 pumped five bullets into him at point-blank range before making his escape on the back of a motorbike. Cahill was accused by the IRA of collaborating with loyalist terrorists — indeed, security sources believe that if loyalists return to violence they may hire contract killers in Dublin to carry out their work in

the Irish Republic. The demise of the General left a vacuum at the centre of the criminal underworld and the subsequent series of brutal murders appear to be evidence of the rush to fill it. Three contract-style assassinations were carried out in one day last November. The surge in violence has gone hand-in-hand with a dramatic rise in drugs seizures. Guns, in turn, have become more commonplace as big-time dealers import

hardware along with merchandise to protect their investments. Recent victims include Christy Delaney, who is believed to have been shot dead on the orders of a former Northern Ireland republican now living in Amsterdam, from where he controls most of Ireland's cannabis importation. A former associate of Cahill's, a man known as "the Viper", has survived three attempts on his life in the past year. Another underworld fig-

ure interviewed by Veronica Guerin was alleged by her to be the mastermind behind Ireland's biggest armed robbery last year, the \$5 million Brinks Allied raid. In the end, she was prepared to give him the benefit of the doubt over involvement in major drugs dealing. But new names spring up with ever-increasing rapidity in Dublin, and it seems that one of the new generation was not prepared to let Ms Guerin pry into his affairs.



Martin Cahill, 'the General'

Nuclear sale may only net £1.26bn

Simon Harris
Industrial Editor

THE Government yesterday admitted it was prepared to sell the country's eight most modern nuclear reactors for as little as £1.26 billion, or just over a third of what it cost to build the newest atomic power station, Sizewell B in Suffolk. In an unprecedented move, ministers left potential investors in next month's privatisation of British Energy guessing how much they would have to pay for their shares when they said the company could fetch up to £1.56 billion. Although the first instalment on the shares has been fixed at 100p a share for small investors, they will in effect be "buying blind" and could pay anywhere between 180p and 280p a share in the second and final tranches. The final second instalment price will be fixed in the next three weeks, but after small investors have applied. The move came as it emerged that the prospectus has been amended, as reported in the Guardian yesterday, following a new investigation by nuclear inspectors into problems with the uranium fuel components common to six of the eight atomic power stations. Yesterday's document carries more details of the safety investigation than a pathfinder prospectus published a fortnight ago, admitting that specific problems with fuel elements have so far been identified at two stations. The full sale document also carries stronger warnings from Labour that, if elected, it would regulate British Energy's activities more tightly.

The Government last year indicated it would raise at least £2.6 billion from the sale, against the £2.9 billion it cost to build Sizewell B. But it has been forced continually to lower its forecast of likely proceeds amid concerns that the company's profits will be hit by operational problems and falling electricity prices. Unraveling the prospectus, Ian Lang, the Trade Secretary, denied that the wide pricing range was an indication of the uncertainty surrounding the sale. Instead it would allow maximum flexibility in pricing the issue. But one City analyst said the price had spiralled down because there were some "genuine concerns" about the sale. He described the float as a bet on future electricity prices since British Energy is highly dependent on what it can earn in the wholesale electricity market. Labour's energy spokesman, John Battle, said the industry was being sold for a fraction of the value that the taxpayer had spent in building reactors. He also warned that a significant amount of British Energy's £14 billion bill for cleaning up and closing stations could be paid from the public purse. Private investors have been told they must invest a minimum of £300 and will pay a first instalment of 100p per share, compared with the 105p which City institutions will have to pay. A minimum of 30 per cent of the 700 million British Energy shares will be allocated to the public, with a potential to increase that depending on demand ahead of the sale, scheduled to end on July 15. **Leader comment, page 5; Notebook, page 11**

Airline in two safety scares is wound up

Mark Varley

THE airline which has been at the centre of two safety scares involving the same jet in the past month has gone into liquidation. Holiday operators Excalibur Airways suffered a "loss of customer confidence" after "sensationalised" media reports of the incidents, according to its liquidators, chartered accountants Deloitte and Touche. They said the East Midlands firm was also let down, and suffered significant losses, in a recent aircraft deal aimed at giving them a foothold on long-haul routes. About 1,000 Britons who have flown to America with Excalibur in the last few days were last night understood still to be in the country, mainly in Florida and California. The passengers' agent is a member of the Association of British Travel Agents so they will be covered for return flights on other airlines. A flight from Manchester to Orlando in Florida today was cancelled and passengers were told to contact their travel agent. Excalibur was set up in 1992, employed 180 people and operated out of Gatwick, Manchester and East Midlands airports. This month 91 passengers refused to board the airline's DC10 aircraft in Orlando after smoke started coming from the plane.

Last weekend 350 passengers refused to re-board the same plane, also in Orlando, after a series of problems culminating in the pilot slamming on the brakes as the jet reached top speed before take-off. The tourists finally flew out of Florida for Manchester after a 25-hour delay. Deloitte and Touche said the airline "quite properly, and in the interests of the safety of the passengers, took the aircraft out of service until identified faults had been rectified." It added the action of the airline, air crew and engineers had been confirmed by the Civil Aviation Authority as being appropriate and correct. The airline's other business problems stemmed from an attempt to move into long-haul operations with two DC10s. A last minute refusal to cooperate by a leasing company meant Excalibur was forced to find an alternative supplier. Replacement aircraft were secured but they could not be put into service on the planned date. As a result the airline suffered substantial losses from "excessive sub-charter costs charged by other airlines", according to the liquidators. An 11th-hour rescue plan fell through. The provisional liquidator, Andrew Peters, is now seeking purchasers for the business.

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4 BRITAIN

News in brief

Deportee 'may live in Ireland'

THE Home Office is being asked to consider whether the illegal immigrant Albert Tong can start a new life with his family in the Irish Republic rather than be deported to Hong Kong, it emerged yesterday.

Mr Tong, aged 43, was discharged yesterday from hospital a week after collapsing with a suspected heart attack following his arrest in a church where he took sanctuary. John Wilkin, the solicitor who had represented him in Cornwall, said Mr Tong's wife, Becky, was flying to Ireland with their three-year-old daughter, Monica, to take up a job offer.

Later, Mr Tong's London-based solicitor, Chris Bryan, said he was talking to the Home Office about his client joining his wife. He said Mr Tong had a right to go to Ireland because his wife was a British citizen. By working there she had European Community rights, and her husband had the right to stay there with her. "There is a ticket ready and waiting for him, and it is really a question of the Home Office arranging it," he said.

A Home Office spokesman said, "Our position remains that when he is medically fit we will be deporting him to Hong Kong."

Father seeks death inquiry

THE father of a soldier killed with two colleagues in Bosnia yesterday demanded a fresh inquiry into their deaths after an inquest jury disagreed with the findings of an army board of inquiry. The three died when their armoured personnel carrier rolled out of control on a narrow track and tumbled down the side of a mountain as they patrolled the Bosnian front line.

Privates Christopher Turner, Philip Armstrong and Martin Dowdell were serving in the Royal Gloucestershire, Berkshire and Wiltshire Regiment as part of the British peacekeeping force guarding the Muslim enclave at Gorazde.

The jury returned verdicts of accidental death at an inquest in Salisbury, Wiltshire.

An army board of inquiry, held almost a year after the incident, recorded the cause of the accident as driver error, but the jury foreman at the inquest told Wiltshire coroner David Masters: "We didn't consider the driving skills of Private Dowdell to be in any way inadequate."

The three-day hearing was told earlier the vehicles were not ideally suited to the mountain tracks of Bosnia.

Geoffrey Armstrong, father of Philip Armstrong, said after the hearing he would be writing to his MP in an attempt to have the internal board of inquiry reopened or reconvened.

£110,000 for arrest

A WOMAN whose arrest outside her house when wearing only a nightdress was witnessed by her five-year-old son was yesterday awarded £110,000 in damages against the Metropolitan police. Janet Scafe, now 38, won a claim for assault and false imprisonment arising from the arrest in Peckham, south London, in July 1991.

A jury made the award at Central London county court after hearing Mrs Scafe was also subjected to racist abuse by the arresting officer as she was taken to the police station.

She had been detained for assaulting the officer but protested that her son would be left alone if she was taken away. It was only when her husband arrived home that she was allowed back into the house to change. Mrs Scafe was tried on the charge but was acquitted. — Nick Varley

Accident victim's £300,000

FORMER boxing champion Richard Dunn has been awarded damages of £300,000 after an accident left him disabled. The 51-year-old former British, European and Commonwealth heavyweight champion, beaten by Muhammad Ali in their world title fight 20 years ago, received extensive injuries when he fell off a rig 100 miles off Aberdeen in December 1989 while working as a scaffolder.

He had several operations and was told he would never walk again, but he is now able to get around with sticks. He said the support from family and friends had been "tremendous".

Mr Dunn, of Newby, Scarborough, had his ankles shattered when he landed on a steel floor on the rig. An out of court settlement with insurers for his former employers, Cape of Aberdeen, has been agreed and the money invested.

Trees yield peep into history

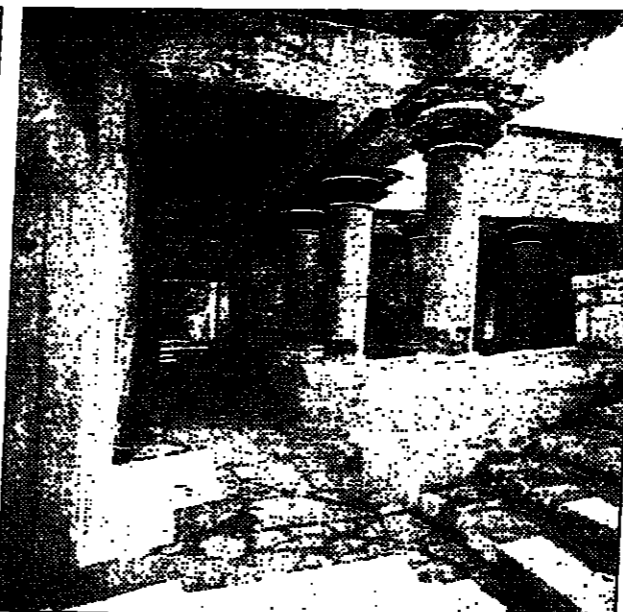
Tim Radford on laud of the rings

HISTORIANS will have to redate the civilisations of Egypt, Babylon and Minoan of Crete if a discovery by scientists is correct.

Archaeologists have completed a new tree ring technique to provide an exact countdown of 1,500 years in the Bronze Age. The span, painstakingly counted out



Ancient remains... A statue of Hammurabi of Babylon, and the Minoan grand staircase and fresco at Knossos, Crete



in the seasonal growth rings, covers the years 2220 BC to 718 BC.

"For 100 years, there have been elaborate scholarly disputes over when one king reigned and one didn't, whether one particular pottery period was then, or 50 or 100 years later," said Sturt Manning, of Reading university,

speaking from the Greek island of Santorini, the ancient Thera. He has been working on the technique with scientists from Cornell and Heidelberg.

"We are saying this 100 years of scholarly debates are to all intents now irrelevant: we can offer dates to standing buildings and monuments now plus or mi-

nus zero. So it is an absolute chronology and it ends this type of pointless debate."

"We have 22 major ancient monuments which have been excavated and in which wood has been found. We have been able to put together the wood from these 22 sites to build up a 1,503 year continuous chro-

nology." The story, told in the journal Nature today, is a triumph for the relatively new science of dendrochronology.

This project began 23 years ago with the excavation of what is known as the Midas Mound — a 53 metre high man-made tumulus in Turkey, dated from 718 BC. It contained

the grave and ornaments of a fabulously wealthy king. More importantly, it contained logs to make the funeral house.

Trees make annual growth rings which also give clues to climate of those years. Unlike ice core evidence from Greenland or Antarctica, or radiocarbon dates which contain uncertainties of 50 or 100 years, tree growth rings are precisely marked.

One of the authors, Peter Kuniholm of Cornell university in Ithaca, New York state, started putting together a pattern of years that could be linked with pottery, written sources, timber from other sites.

"We can say that a palace, for example, of a man called Warsama, which is at Kultepe, a famous site in Turkey, was built with wood that was cut down in 1,810 BC. That palace has seals inside it which mention a person who was a contemporary of Hammurabi of Babylon, the lawyer. There has been more than 100 years of debate about when Hammurabi existed," said Dr Manning.

"The debated span covered 240 years."

The scientists have collected more than 6,500 years of wood from the Aegean and near east.



Michael Heseltine during his visit to Manchester, when he promised substantial government aid and urged local leaders to 'think big'

PHOTOGRAPH CHRIS THOMSON

International contest to rebuild Manchester

Peter Hetherington

MICHAEL Heseltine seized the initiative on rebuilding central Manchester with a bold plan for an international architectural competition to lay out the city of the 21st century.

Eleven days after an IRA bomb ripped the heart out of the city, causing damage estimated at more than £200 million, the Deputy Prime Minister promised substantial — but as yet unspecified — government aid.

Visibly shaken after touring the devastated centre, where an estimated 350 shops and businesses have been put out of action, he took personal responsibility for the renewal and promised to return next week for a more detailed ex-

What architects think

TERRY FARRELL, responsible for the new M16 building and TV-am's former headquarters, was unimpressed with the competition concept. Instead, "four or five" leading international architects should be asked to submit designs — and be paid.

amination of damage. With an enthusiasm few have seen since his barnstorming days as unofficial "Minister for Merseyside" after riots in 1981, Mr Heseltine urged council and business leaders in the city to think big and turn a "barbaric act" to advantage. "This is an opportunity, perhaps unique, to

OWEN LUDER, president of the Royal Institute of British Architects, urged a "bold approach" embracing shops, offices and housing. "We should aim to bring people back: is it necessary to have shopping centres any more? This is an opportunity to look forward."

rebuild and recreate the centre of one of England's great cities."

After talks with the city council leader, Richard Leese, he said that architects from around the world would be invited to redesign the centre of what is regarded as the world's first industrial city. "We have agreed that in

order to show the options for rebuilding, there will be an international competition to provide a range of ideas for an imaginative concept." The Prime Minister had decided the Government should cover some of the competition costs.

Mr Heseltine is moving towards the council's concept of a task force, probably headed by himself, to spearhead the renewal drive. He said the Government would give £50,000 to the Lord Mayor's emergency fund to help immediate hardship, and the ultimate financial aid would be substantial. "There is bound to be extra money... we don't yet know the form or the scale."

The council estimates that up to half of the businesses out of action have no insurance and need emergency help.

Holiday island 'centre of beef scam milking EU subsidies'

David Hencke Westminster Correspondent

THE holiday paradise island of Mauritius may be the centre for a worldwide corned beef scam originating in Britain, a committee of MPs revealed yesterday.

Customs officers discovered the scam after figures suggested that the island's one million inhabitants — mainly fish eaters and vegetarians — appeared to be consuming abnormally high quantities of subsidised British beef.

MPs were told that although tourists were thought to eat a lot of beef this still could not account for the passion for red meat in Mauritius — before the beef export ban was imposed following the BSE scare. The figures show that over 9,000 tonnes of beef were consumed by the Mauritians — 4,000 tonnes coming from Britain.

The export trade — 10 times Britain's beef exports to India and only just below Britain's best customer, South Africa — has led to a

big Customs and Excise investigation, the Commons Public Accounts Committee revealed yesterday.

As a result, three British exporters have been asked to repay over £630,000 for avoiding customs duties and obtaining beef export subsidies to which they were not entitled. They were discovered taking advantage of European Union rules and using Mauritius to re-export the subsidised meat as corned beef back to Britain and other EU countries.

MPs warn that tougher controls are needed to prevent similar scams re-emerging once the beef ban is lifted.

Denzil Davies, Labour MP for Llanelli, who spotted the huge rise in the Mauritius beef orders, said: "My first thought was perhaps they have a lot of McDonald's."

Intervention Board for Agricultural Produce: Preventing, Detecting and Acting on Irregularities. Twenty second report of the Commons Public Accounts Committee. HMSO 88.

Parkhurst escaper 'was contemplating suicide'

Two convicted murderers

felt they had no choice but break out of a top security prison, a court heard yesterday. Andrew Rodger, 46, men-

suicide, probably saved his own life by escaping, it was suggested.

Keith Rose, 46, who joined the well planned scheme to the Isle of Wight, had become increasingly unhappy at the way prison authorities treated him, and also acted under the "duress of circumstances". Woolwich crown court was told.

Rose and Rodger deny a charge of breaking out of prison in January last year, with a third inmate, Matthew Williams, 36, who is not before the court.

The jury has heard their escape involved a copied prison pass-key, and a do-it-yourself ladder.

steal a light aircraft from Sandown airport and were forced to hide in a run-down summer house for five days as an intensive manhunt raged around them.

Their luck finally ran out as they walked to the coast to steal a boat, and were spotted by an off duty prison officer. Adrian Fulford QC, defending Rodger, said that his client had been suffering from "post traumatic stress disorder" when he broke out. "That had been caused by learning that the term he would have to serve being considered for release from his life sentence had been increased from 12 to 17 years."

He was contemplating suicide and came close to doing so on several occasions. It was only the prospect of escape that stopped him from taking his life.

Roderick Price QC, for Rose, said the qualified pilot had also been badly affected after learning the Home Secretary had scrapped his 17-year sentencing "tariff" and decided he would have to spend the rest of his life behind bars.

The trial continues.

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Legal...
Jury... girl w...
SUMM...

Court told of confession to father after body was dumped in sea

Jury hears how murdered girl was taken from tent

David Ward

AJURY yesterday heard how a seven-year-old girl dressed in a pink Pooh Bear nightgown was taken from a tent in her uncle's garden and murdered after a birthday party last summer.

Sophie Hook, of Great Budworth, Cheshire, was raped twice and had an arm broken by her attacker. She was then strangled and her naked body dumped in the sea off Llandudno before being washed up on the shore, said Gerald Elias QC, prosecuting, at Chester crown court.

"These atrocities reveal a depth of wickedness and depravity in whoever perpetrated them which almost defies belief," he said.

Howard Hughes, 31, an unemployed gardener from Colwyn Bay, denies murder and two charges of rape.

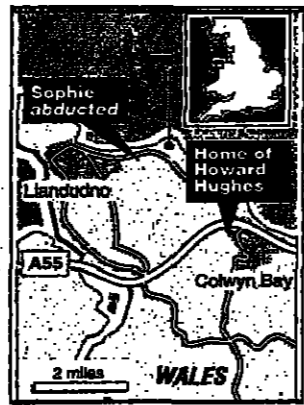
But Mr Elias claimed he admitted the crimes in a confession to his father after his arrest following Sophie's death on July 30.

Mr Elias added: "He said, 'I did it, Dad. I must tell somebody. On Saturday afternoon I went into the back garden. I went back at about two in the morning. I persuaded a girl to go with me to the beach.'"

Mr Elias said Hughes had continued: "Dad, I have been sexually frustrated since 1990. The girl started to scream and



Sophie Hook — killed after summer birthday party



I put my hand over her mouth and kept it there until she stopped. I took all her clothes off and threw her body into the sea."

Mr Elias continued: "On this very Saturday he had spent time hovering in areas where young children gathered. Not a few hours before he had made an attempt to lure away a six-year-old child from her grandmother's in Llandudno."

"He was bent on taking and using a young girl for his own sexual purposes. . . . He had boasted to a friend of his liking for girls of four or five and his wish to abduct, sexually assault, and murder a young girl."

Mr Elias said Hughes was 6ft 6in tall and well built; So-

phie was 4ft 1in. She was "a seven-year-old, helpless in the face of an attack of this savagery".

The court heard that Sophie had gone with her mother, two sisters, aged nine and two, and five-year-old brother to her uncle's home on July 29 for her cousin's ninth birthday.

"They played in the garden with a paddling pool and some of the children stripped; Sophie wore only knickers."

Mr Elias said Hughes, who had been seen in the area by several witnesses, had spied on the children from a path near the garden and heard them planning to spend the night there in a tent.

Around midnight, four of the cousins went to bed in the

tent. Sophie's uncle, Danny Jones, went into the house and watched television. At 12.20am, one cousin decided to sleep in the house. The other three, including Sophie, returned to the tent.

"Mr Jones left them time to settle and at about 12.40am zipped up the doors of the tent and . . . went back to the house to bed," said Mr Elias.

He said Hughes abducted Sophie at about 2am, possibly by lifting her from the tent in her sleeping bag.

He said that when arrested Hughes was found to have shaved off his public hair. The clothes and shoes he wore on the day Sophie was killed had been washed. During questioning, he mentioned rape before detectives had mentioned the sexual assaults on Sophie. The court also heard that at an identity parade in Manchester, he said to a man brought into the line-up: "You won't like what I have done."

Mr Elias said Hughes threw Sophie's body into the sea to make forensic tests more difficult. But his "fatal mistake" was to not to dispose of her knickers and nightie.

"He was a collector of girls' knickers," said Mr Elias. "He kept them secreted at home in a garden wall." Mr Elias suggested Hughes had intended to keep the clothing but then threw them into thick bushes when he realised that would be too dangerous.

The trial continues today.



The Prince of Wales on the Giant's Causeway, Northern Ireland's famous tourist attraction in north Antrim, on the second day of his visit to the province. The causeway was created by cooling lava 60 million years ago

Legal aid changes condemned

Lord Mackay's plans 'would hit poorest sections of society'

Clare Dyer
Legal Correspondent

LITIGANTS paying their lawyers from their own pockets who win cases against opponents on legal aid will be able to claim their costs from the Legal Aid Fund in hardship cases, under far-reaching reforms to be unveiled next week.

Those who bring losing cases will not be able to claim their costs, but they will also have to contribute to the winner's costs, in a move to deter people from pursuing unmeritorious claims at the taxpayer's expense.

The changes were trailed yesterday in a speech by the Lord Chancellor, Lord Mackay, to a London conference on legal aid organised by the campaigning Legal Action Group.

The proposals were attacked by the group, who said they targeted "the very poorest sections of society" for cuts in legal aid.

A white paper, to be published next Tuesday, will outline plans for the biggest shake-up of legal aid in its 46-year history.

The legal aid budget will be capped for the first time and fixed regional budgets will be introduced. Solicitors and advice agencies will tender for block contracts to conduct a set number of cases at a fixed amount per case.

The Law Society described the proposals as bad news for the public. Russell Wallman, head of the society's professional policy unit, said: "The Lord Chancellor apparently plans to tighten people out of applying for legal aid by making them risk bankruptcy if their case is lost."

The Bar Council said the plans risked "reduction of choice, the denial of justice to some and the provision of second rate justice to others".

The Lord Chancellor told 600 legal aid lawyers and advice workers that the public had lost confidence in the legal aid scheme.

They had come to see it as "wasting money on too many weak, trivial and undeserving cases, as unfair to the opponents of legally aided people, and as overpriced and inefficient, with taxpayers who would not qualify for legal aid if they sought it nevertheless

paying what look to them like huge lawyers' bills".

Lord Mackay said that judges, court officials who vetted legal bills, lawyers and others had made it clear to him that money was being wasted.

Research from Lord Woolf's inquiry into the civil justice system appeared to show that High Court cases conducted on legal aid took much longer on average and cost more than those which were privately funded.

"Legal aid's reputation is at a dangerously low ebb, and whatever the excuses, whatever the explanations, I am in no doubt that my first task is to take the steps necessary to convince the public we can and will have a scheme which is proof against unfairness and waste."

The reforms will include a new, tighter test for deciding which cases merit public funding, but Lord Mackay said he would not expect this to exclude "well founded" cases.

Adjusting the rules to make the litigant on legal aid and the Legal Aid Board more liable for a winning opponent's costs would discourage speculative cases.

The board would remain heavily reliant on the legal aid applicant's lawyers in de-

termining whether to grant aid. As now, the lawyers would be understandably keen to do the best for their client and would err on the optimistic side if the client had everything to gain and nothing to lose by litigating.

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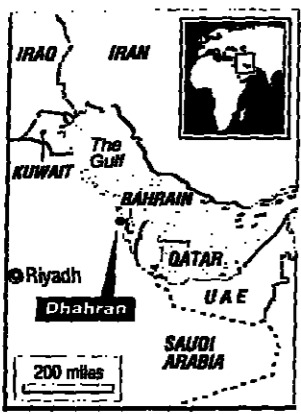
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Saudi explosion highlights foreign military presence as allies desperately seek someone to blame

Achilles' heel of West exposed



Christopher: 'US will not be deterred from mission'

David Farrhall
Defence Correspondent

BY TARGETING United States servicemen in Saudi Arabia's oil capital, Dhahran, on Tuesday night, the bombers struck at the West's most sensitive, and visible, presence in the kingdom.

It was an attack calculated to send a shiver through every foreign capital with interests in the stability of this strategic peninsula, which produces 8 million barrels of oil a day.

The stationing of nearly 3,000 US servicemen at the King Abdul-Aziz air base is both a symbol of the Gulf's dependence on Western protection and, for the industrialised world, the best guarantee that

It was an attack calculated to send a shiver through every foreign capital with regional interests

Saudi oil will continue to flow. The smaller contingents from Britain and France are the successors of the vast allied coalition force assembled in 1990 under a United Nations mandate to drive the Iraqis out of Kuwait.

The US secretary of state, Warren Christopher, "almost a forgotten figure" in the Middle East and Europe to fly to Saudi Arabia. He told reporters the bombing "will not deter the United States from carrying out in any way the mission for which it has come".

Earlier, in Cairo he said: "The attack emphasises once again the need for co-ordinated action against the scourge of terrorism." He also referred pointedly to the attack on "US coalition servicemen".

But for Islamic fundamentalists, the men are evidence of the corruption of the Arab world — a permanent merce-

nary force deployed to protect oil supplies.

Dhahran is the headquarters of the Saudi Aramco oil operation. It is also the rear base from which the Gulf war was fought and any future military intervention would be mounted. The wells, refineries and tanker terminals of this eastern province supply 11 per cent of the world's oil.

The bombing had no immediate effect on oil production or export operations, but prompted a price rise of 20 cents a barrel. About a quarter of the world's remaining oil reserves lie beneath the same stretch of desert.

The main role of the US-led forces at Dhahran is to enforce a UN-backed "no-fly zone" over southern Iraq, where Shi'ite communities and the marsh Arabs of the Tigris-Euphrates River confluence have been under brutal pressure from the forces of President Saddam Hussein.

F-15 and F-16 fighter aircraft from the 33rd and 78th US fighter wings operate from the Saudi base, together with a US army unit manning Patriot air defence missiles, and a signals battalion.

The eight-storey accommodation block blasted by explosives packed into a fuel truck is one of about 40 such buildings, housing British, French, Saudi and US servicemen near the base. The Royal Air Force, like its US counterpart, has been there since the end of the 1951 war — "almost a forgotten force" as one senior officer put it yesterday.

The present RAF detachment consists of six Tornado GR1s from 9 Squadron at Bruggen, in Germany, which use a thermal imaging system to monitor Iraqi military activity in southern Iraq. They are supported by a VC-10 aerial tanker based in nearby Bahrain. No British or French casualties were reported after the bombing, but the RAF said it would be tightening security.

Leader comment, page 8; David Hirst, page 9



Morning after... Rescue and security workers sift through the rubble left by the bomb attack on the US Air Force base in Dhahran. PHOTOGRAPH: AP/WIDE WORLD

Gulf states search for Dhahran bombers

Islamic groups may be behind the attack, report Kathy Evans and Shyam Batia

THE United States and its Gulf allies began casting around the region yesterday for the groups, or states, to blame for the Dhahran bombing, which claimed 19 American lives and 264 casualties.

A small but unknown group claimed responsibility for the attack yesterday, but this did not stop fingers being pointed at the Gulf's public enemy number one, Iran.

Iranian officials dismissed the speculation as "another attempt by undemocratic and corrupt states" to blame internal unrest on external forces. Last month, the neighbouring Gulf state of Bahrain accused Iran of attempting

to overthrow its government.

More likely, several Arab analysts said, the truth was that the bombing was carried out by one of the myriad clandestine Islamic opposition groups operating in the kingdom.

In the last two years, Saudi Arabia has seen a growth of Islamic groups using fax machines, and now bombs, to put their message across. Saudi opposition politics began with Mohammed al-Mas'ari of the Committee of the Defence for Legitimate Rights, now based in London.

"The jihadi groups are the lunatic fringe of Islamic fundamentalism. They reject modernism, democ-

racy as kaffir (heathen). They are very dangerous." A Saudi expert on Islamic groups said.

One of the acknowledged leaders of the jihadi trend is Abu Mohammed al-Maqdisi, an Islamic scholar currently in jail in Jordan. He was visited several times by one of the bombers who confessed to last November's explosion at a US military mission in Riyadh.

That bombing, like the Dhahran attack, was preceded by several warnings to the US and British embassies, threatening attacks on Western forces in the kingdom. The November bombing was claimed by two previously unknown groups, the Tigers of the Gulf and the Movement for Islamic Change. Tuesday's attack in Dhahran appeared to be a carbon copy of the Riyadh

Israeli leader hits out at Syria

Shyam Batia in Jerusalem

HOURS after three Israeli soldiers were killed by an ambush on the border with Jordan, the Israeli prime minister, Benjamin Netanyahu, accused Syria of supporting Middle East terrorism.

"Jordan itself is suffering from terrorist operations. At last week's Arab summit in Cairo, Jordan accused Syria of supporting terror," he said.

"Turkey has also accused Syria of indirectly orchestrating terrorist attacks. We in Israel know that the Hizbullah terror operates with a Syrian licence."

The soldiers were attacked by guerrillas who managed to cross the border. Two other soldiers were wounded.

An Israeli army spokesman said: "A number of terrorists opened fire at very close range at an Israeli border patrol vehicle. Another patrol vehicle sighted the terrorists and shot at them. The terrorists returned fire, but the attackers fled into Jordan."

The Damascus-based Palestinian National Liberation Organisation, a group that split from the PLO, Fatah faction, claimed from Beirut that a unit of its fighters had clashed with the Israeli patrol.

Since Mr Netanyahu's victory in last May's elections, the Syrian government has been trying to forge a new alliance of Arab reactionists opposed to peace and normalisation with the Jewish state.

Mr Netanyahu called for international political and economic pressure on Damascus. He said he had discussed the Syrian threat with the visiting United States secretary of state, Warren Christopher.

He said: "I talked about the need to convey to Damascus, to the government of Syria, that we do not intend to play according to the Syrian rules. We do not intend to enter peace talks, which we hope to advance, while at the same time becoming victims of a terrorist war waged by Syria's proxies."

He said the government of Syria's president, Hafez al-Assad, had given backing to Hizbullah and several Palestinian terrorist groups, including the PFLP and Islamic Jihad, and noted that all the groups involved in terrorist attacks against Israelis had headquarters in Damascus.

He said: "The Syrians must understand that this will lead to a new Israeli policy which I believe will succeed in mobilising important international elements. They will tell Syria this game is behind us."

● A leading Palestinian human rights activist jailed for 17 days by Yasser Arafat's Palestinian Authority was released yesterday after international criticism over his detention. Iyad Sarraj, aged 53, said he had been tortured.

News in brief

Deserts pose famine risk

AFRICA will face mass starvation unless farmers, politicians and aid agencies join forces to halt the growth of deserts, a United Nations conference was told yesterday.

Mr Jeff Odera, author of the document and a Nairobi-based consultant for the UN Food and Agriculture Organisation, told the conference in Lisbon that unless governments act in partnership with farmers, aid agencies and the private sector to halt the desertification of Africa, a catastrophe will result.

Desertification stemmed from the expansion of agriculture. Inappropriate farming methods and overgrazing, he said.

Africa's rapidly growing population had forced villagers to strip the land in order to feed themselves, Mr Odera told the delegates.

Villagers should be trained and empowered to control their own agricultural resources more efficiently. — Reuter.

UN to investigate New York police 'abuses'

THE United Nations Human Rights Commission has announced that it is to begin an inquiry into the New York Police Department after Amnesty International released a 73-page report detailing a pattern of abuse and excessive force within the NYPD.

"Amnesty International has received disturbing allegations of the ill-treatment of suspects, deaths in custody and unjustified shootings by officers," the report says.

"The number of people bringing claims for police misconduct against the City of New York has increased substantially in recent years, from 977 in 1987 to more than 2,000 in 1994." The report also found that the vast majority of abuse claims were lodged in Black, Latino and Asian neighbourhoods.

This is the third Amnesty report on allegations of police abuses in the United States. It has investigated police forces in Chicago and Los Angeles. — New York Times.

Ex-CIA chief backs Dole

The Republican presidential contender, Bob Dole, yesterday picked up an endorsement from James Woolsey, who served for two years as CIA director under President Bill Clinton.

The endorsement of Mr Woolsey, who ran the Central Intelligence Agency from early 1993 until the end of 1994, came one day after Mr Dole had made a scathing attack on Mr Clinton's foreign policy. — Reuter.

PM sworn in

Gulbuddin Hekmatyar was sworn in as Afghanistan's new prime minister yesterday after returning to Kabul amid

Somali clashes

At least nine people were killed and 21 wounded in clan violence in Mogadishu following a brief lull at the end of three days of faction fighting, Somali officials said. — Reuter.

Gay go-ahead

The Unitarian Universalist Church has voted to support legal recognition of gay marriages, the first major religious denomination in the United States to do so. — AP.

Tuberculosis peril

The World Health Organisation and a team of interna-

Khmer killings

Khmer Rouge guerrillas who abducted scores of workers at a remote logging site in the Cambodian province of Kampong killed 14 of their captives with axes, a human-rights group said. — AP.

The friend returns

The remains of a Cuban who fought and was killed before the legendary guerrilla Ernesto "Che" Guevara during an abortive uprising in Bolivia 28 years ago have been returned to Cuba, official media said. — Reuter.

Filegate inquiry seeks fall-guys

Jonathan Freedland in Washington

THE props, the scenery, the heavy oak witnesses' desk, with its rows of microphones, have been the furniture of countless dramas — starting with the anti-communist McCarthy hearings of the 1950s.

And hanging over it all was the memory of the Big One, the finest performance produced by the United States Congress and its unique brand of theatre: Watergate.

The House government reform and oversight committee had come to the Rayburn Building to find the truth about Filegate — the burgeoning scandal over several hundred secret FBI files on leading Republicans, improperly obtained by the White House.

Facing them were five witnesses. One was Bernard Nussbaum, the sacked White House lawyer who had acted as counsel to the committee which investigated Watergate.

Yesterday he was on the other side, fending off a determined Republican attempt to cast him as a player in a latter-day Nixon White House. "Let me be clear," he said in his fiercest New York lawyer lilt, "in the Clinton White House I knew there was no espionage list, there was no deliberate misuse of private government information, there was no digging up of dirt from government files to use against political opponents."

With that, Mr Nussbaum summarised the charge against him and his bosses more succinctly even than his

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Some of his predictions are of breath-taking accuracy, like when he placed his bet that five named towns in Britain would have snow on Christmas Day, and four of them did.

Peter Lennon

02 cover story

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Hong Kong's 'quislings' look forward to return of the past

In the first of three articles marking the handover of the territory on June 30 next year, **Andrew Higgins** reports on how Beijing has found turncoats prepared to reinvent Britain's colonial rule

WHILE ONLY a year to go before the sun sets on the last big outpost of the British empire, Lo Takshing makes no apology for souring to avoid the approaching darkness.

Instead, he boasts of how nimbly he has managed to discard his family's tradition of loyalty to the Crown to emerge as an ardent member of the new Hong Kong elite chasing Britain's imperial retreat.

"The fact is that we all have to do it," says Mr Lo. "It is the proper thing to do. It is the only thing to do."

His grandfather, a prosperous merchant, worked with Jardines, Hong Kong's "princely hong" of opium-smuggling infamy. His father, a prominent lawyer, was knighted by the Queen.

Educated at Wadham College, Oxford, Mr Lo followed the family tradition, joining a select group of local Chinese groomed, trusted and rewarded by Britain. He sat on the governor's inner circle, on the secretive Executive Council, and on the then unelected legislature.

When Margaret Thatcher handed Hong Kong back to China in 1984, he shouted betrayal and set up a company to help people emigrate.

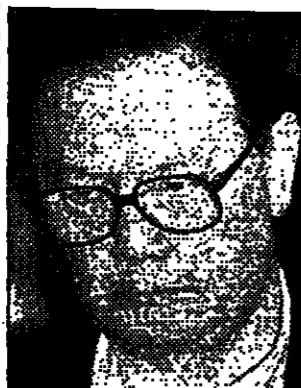
However, with the ink on Mrs Thatcher's signature barely dry, Mr Lo hurried to Beijing. "All I knew about the Chinese came from British briefing," the lawyer, aged 61, says. "I wanted to see things for myself."

Communist Party officials welcomed him with banquets and provided a grand villa. "Rightly or wrongly, the agreement that was made

requires everybody in Hong Kong to do this, to switch from one sovereign to another sovereign," he says. "It was not easy for many of us to make the switch — I agree it is a switch."

He has now discarded his British passport, dropped his title of Commander of the British Empire and become a Chinese citizen. All he has retained is the Oxbridge accent.

And to cap his conversion, he has declared his candidacy for the post of chief executive.



As Hong Kongers scrambled for foreign passports, Lo Takshing traded his British passport for a Chinese one

the Beijing appointees who will take over from the Hong Kong governor, Chris Patten, at the stroke of midnight on June 30 next year.

Mr Lo claims the "switch" he pioneered and since mimicked by others in Hong Kong's establishment is to a new master and does not affect his vision of the colony.

Whether quislings or pragmatic patriots, this elite embraces a peculiarly archaic view of the territory's future: a return to the cosy colonial patterns of the past, an era when local grandees obeyed

orders from a distant capital untroubled by public debate and party politics.

"China has a similar vision. 'Hong Kong has always been an economic centre, not a political centre,' says the Xinhua news agency chief, Zhou Nan, China's senior official in the territory. "In this, the advantage of the territory lies."

For Beijing, colonial-style decision-making offers encouraging echoes of the Communist Party's own habits of secrecy and obedience. Among China's plans for

power. Now they are very pro-Chinese. They are pro whoever has power.

When a million people took to the streets of China in 1989 to protest the Tiananmen Square massacre, Mr Lo rushed to Beijing to show his support. When China complained of hostile coverage in the Hong Kong press, he set up a magazine to cheer the approach of Chinese rule. When Hong Kongers scrambled for foreign passports, he traded his British passport for a Chinese one.

In the run-up to 1997, China has put decision-making in the hands of secretive bodies as unresponsive and unaccountable as any 19th-century colonial enclave. The Preparatory Committee, on which Mr Lo and other defectors and businessmen now sit, is so divorced from Hong Kong society that a poll published this week found 82 per cent expressed little or no confidence in its work.

With a year to go, the struggle in Hong Kong is no longer between China and Britain, or communism and capitalism, but between two visions of Hong Kong itself as a compliant, apolitical and stunted territory, or as a more sophisticated, affluent and less docile society.

A landslide victory for the Democratic Party in last year's elections suggests support for the second view, as does the public's apparent antipathy for resurrected colonial relics — according to an opinion poll this week, only 1.4 per cent want Mr Lo as their chief executive.

"Perhaps this is the Western form of democracy," says Mr Lo, referring to political changes accelerated by Mr Patten. "But it is fundamentally different from what we were doing before. It is not the system under which Hong Kong was run."

Next: How to become Chinese



Go, move, shift... Tears roll down the cheek of a Filipino girl as she watches her shanty home in Manila being torn down by a government demolition crew. Slum dwellers claim the authorities are driving them out to beautify the capital in advance of the November summit of the Asia-Pacific Economic Co-operation forum. PHOTOGRAPH: ENIK DE CASTRO

Nigeria is left unpunished

Ken Black
Diplomatic Editor

COMMONWEALTH foreign ministers came in for sharp criticism yesterday for failing to take action against Nigeria despite its refusal to address concerns about democracy and human rights.

The Commonwealth ministerial "action group" agreed on Tuesday not to impose previously-threatened sanctions on the West African country, although Canada announced it would unilaterally ban arms exports and sporting contacts.

Diplomats spoke of frustration at Nigeria's evasion of punitive action after the international outrage that followed the execution of Ken Saro-Wiwa and eight other Ogoni activists during the Auckland Commonwealth summit last November.

"It was appalling, complete mismanagement," a British official said. "The Nigerians just ran rings round the Commonwealth. They showed their power and their arrogance."

"Because of the lack of a unified Commonwealth approach, the Nigerians turned the meeting around and presented the Commonwealth as the transgressor in having had the audacity to suspend Nigeria."

The group was chaired by the foreign minister of Zimbabwe. Other participants were Malaysia, Jamaica, Ghana, Britain, New Zealand, South Africa and Canada.

The former Commonwealth secretary-general, Sonny Ramphal, criticised the decision not to impose sanctions.

"I'm troubled that more did not come out of what was described as a ministerial action group. It was the epitome of inaction. What was agreed between the group and the Nigerian delegation was very feeble and puny."

Tony Lloyd, Labour's foreign affairs spokesman, said: "The British government has put narrow short-term interests before its long-term interests, and certainly before the interests of the Nigerian people who suffer daily at the hands of this brutal and vicious regime."

"The Foreign Office must end its dithering and confusion over what policy to take and must send clear and firm messages to the Nigerian people that its illegitimacy will no longer be tolerated."

A joint communiqué at the end of the talks agreed to hold off on sanctions until the committee meets in September.

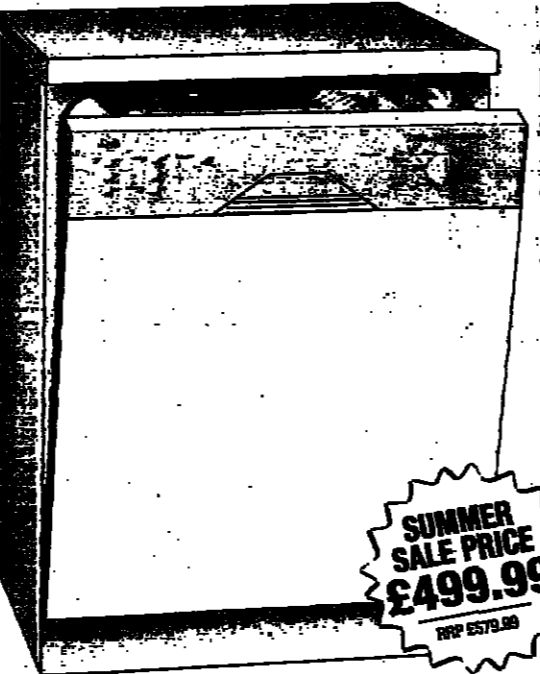
Nigeria had been asked to accelerate its three-year transition to civilian democracy and provide firm guarantees on safeguarding human rights. Neither emerged from the London meeting.

Britain and others strongly oppose the idea of sanctions, especially an embargo on oil sales, saying the steps would be virtually unenforceable and would harm ordinary Nigerians.

A strike by tanker drivers led to panic buying for fuel yesterday in the Nigerian capital, Lagos, motorists and officials said. Queues of vehicles, stretching hundreds of yards, formed at many petrol stations as motorists tried to fill up. The tanker drivers are striking in protest at a ban on parking their trucks under flyovers.

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Freezing the reforms

Major sets the Tories against real change

WHERE HAS John Major been for the last 10 years? "This must be the most thorough debate on the constitution for a generation", he told the Centre for Policy Studies last night. "It is right that we should have it." What does he think the rest of us have been doing for much of the 1990s? Why does he think that the Labour Party and the Liberal Democrats, reflecting that long-running and extensive debate, have spent long hours examining principles and practicalities? What does he think Charter 88 is about? Why does he think that the Constitution Unit, which unburdened itself of a further three reports on detailed issues this week, has been toiling so usefully all these months?

Let us, though, accentuate the positive. Five years ago, Mr Major would not have said this debate was necessary at all: he would have dismissed the whole constitutional argument as fundamentally irrelevant. Now he has been forced to respond and acknowledge that it exists. So, better late than never. But that is as much of a cheer as he deserves. His speech yesterday showed the Prime Minister well adrift. He is on the wrong side of the line on an agenda which is widely, and rightly, seen outside the Conservative Party as one of the largest tests of this country's capacity for modernisation.

There is a basic disjunction in Mr Major's approach. When he speaks of "a living constitution that changes with the times", of the need to avoid "change for change's sake", and his preference for "practical change, not grand plans", he appears to take a sensible, progressive stance on the need for necessary reform. But then he speaks, almost in the same breath, of "pointless fiddling" that would "unravel our way of life" and "unravel what generations of our predecessors have created". This is not serious stuff. The progressive in Mr Major is ensnared by the reactionary,

the Whig in him by the Tory. Like every diehard opponent of all progressive change throughout our history, he defends the institutional status quo, because "it works" and is "our tradition, our heritage".

The result was that, with the exception of a whip's wish list to restructure the parliamentary year, Mr Major had nothing very interesting to say about the British constitution last night. Because he is a man who disposes immense power within the existing system and because he has never been in opposition, he is blind to the constitution's faults, small and large. Because he is not merely English, but south London English, he finds it hard to understand not just the north but the other nations of the United Kingdom. He is unable to bring a radical, democratic impulse to bear on the long list of institutional and cultural changes which make up the modernising agenda on constitutional matters. The result is that, in spite of Mr Major's pleasant words about practical evolution, he has actually set the Conservative Party uncharacteristically against all meaningful change.

The contrast between this and the progressive approach of the opposition parties was highlighted in speeches yesterday by Paddy Ashdown and Jack Straw. And it will be underlined again today when Labour confirms that it will hold referendums early in the new Parliament to give enhanced democratic legitimacy to their devolution plans in Scotland and Wales. Far from being a sign of uncertainty, this is a vote of confidence in the importance of these changes. Those who believe that the only form of political legitimacy is a general election or a vote at Westminster show yet again that they do not understand the scale of the task which is needed to rebuild confidence in our political institutions and civic culture.



Letters to the Editor

Labour's other bombshell

SO MR BLAIR is prepared to push the nuclear button (Labour takes up nuclear challenge, June 26). At his press conference, he said he is prepared to do this "whilst we [presumably Britain] are under any type of threat elsewhere in the world".

This is a little vague. Will Mr Blair please clarify which of the following meets this criteria:

- The Faroe Islands announce a blockade of all UK fish products;
- A plague of Libyan locusts is spotted by radar heading towards East Angles;
- A new species of ready-jelled Polish eel decimates East End trade?

Answers on a postcard to the electorate. Janet Bloomfield, Chair, Campaign for Nuclear Disarmament, 162 Holloway Road, London N7 8DQ.

I AM writing about your report concerning the interception of communications and the resources available to the security services ("IRA helped" by cuts in phone taps, June 19). I have not expressed to the media, either publicly or privately, concerns that the security services and intelligence agencies do not have enough resources to discharge their functions properly. Any suggestion to the contrary misinterprets my report.

Rt Hon Lord Nolan, Commissioner, Interception of Communications Act, Law Lords Corridor, House of Lords, London SW1A 0PW.

IN view of the fact that the early success of the England football team was being used as propaganda by some Euro-sceptics, I would like to point out the following. Of the 16 teams that qualified for Euro 96, the ratio of EU/non-EU teams was nine to seven. In the first round, the top team in each group belonged to an EU member country, the bottom team from a non-EU country. The average points-and-goals statistics for the first round were as follows: for EU teams - 5.44 points, 4.11 goals; for non-EU teams - 2.29 points, 2.57 goals. The ratio of EU/non-EU teams in the quarter and semi-finals was three to one. The EU has, however, had an unfair advantage: the competition is named after its currency.

B Clark, Holzgerlingen, Germany.

AS I listened to the voice of Gillian Shepherd on Tuesday, telling us how she was going to reorganise education yet again, I suddenly realised where I'd heard it before. It is the voice of Linda Snell, reorganiser of Ambridge. Dave Readey, 44 Corwell Road, Faringdon SN7 7JX.

Karadzic, your time is up

THE continued presence in Bosnia of Radovan Karadzic, Ratko Mladic and other indicted war criminals is poisoning the peace process, threatening the forthcoming elections, and undermining the authority and viability of the International Criminal Tribunal for the former Yugoslavia.

UN Security Council Resolution 1031 charged the International Implementation Force (I-For) with ensuring compliance with the Dayton peace agreement, which includes a requirement that all parties co-operate with the tribunal. Article 23 of the tribunal's statute sets forth the various forms of co-operation that are due, including "the identification and location of persons", "the arrest or detention of persons", and "the surrender or the transfer of the accused to the international tribunal".

With the Bosnian government threatening to pull out of the elections if Karadzic and Mladic are not apprehended, and Chief Prosecutor Richard Goldstone expressing increasing concern about the fate of the tribunal without their apprehension, securing the arrest and surrender of these two mass murderers should be the western governments' top priority in Bosnia.

However, western leaders continue to block the use of I-For troops to arrest indicted war criminals. Indeed, failure to bring these men to trial places many more lives at risk in Bosnia and elsewhere, by sending the signal that there is no price to be paid for genocide, war crimes and crimes against humanity, whether committed against civilians or international troops.

The presence in office of the very individuals responsible for massive abuses over the past four years has ensured that hundreds of thousands of refugees and internally-displaced people cannot return home and that political opportunities for anyone but hard-line nationalists are sharply limited. Freedom of the press

and assembly is severely curtailed and violence against ethnic minorities and opposition figures is on the rise. National elections — a key step in the peace process — cannot meaningfully take place so long as Karadzic and Mladic remain at large.

We urge European heads of state to order the troops under their command to make an immediate and urgent priority of locating these fugitives and identifying circumstances when I-For can arrest them on favourable terms.

Jan Willem Bertens, Willy de Clerq, Baroness Caroline Cox, Valéry Giscard d'Estaing, Otto von Habsburg, (Prof) Jasminka Kavacic, Glenys Kinnock MEP, Bernard Kouchner, Tadeusz Mazowiecki, Michel Rocard, Rt Hon Sir David Steel, Simon Wiesenthal, and 178 other signatories, c/o Human Rights Watch, 33 Islington High Street, London N1 9LH.

Let's ride cars off the roads

JON SNOW (Pedal power on the school run, June 25) mentions only some of the menacing traffic poses for children. Like the rest of us, they breathe the toxic cocktail of fumes emitted by the cars keeping them off the street.

Asthma rates are soaring, especially among the young, and traffic fumes have been linked to this rise. Many other respiratory diseases are also on the increase.

Surely we should look at reducing the current levels of traffic. Keeping levels the same is not enough: current levels are too high already. New low-emission engines will help with fumes, but make no difference to our children's freedom or health. (Dr) S Hill, 5 Leopold Mews, London E9 7NL.

I WOULD also argue, pace Jon Snow, for an increase in petrol duty in real terms by, say, 30 per cent every year, and for the money raised to be spent on better and cheaper buses, trams and trains. An increase in the number of pelican crossings is also needed, and these should not make pedestrians wait — they should begin to change as soon as the button is pressed. This is all part of a vital change in attitude that puts pedestrians, cyclists and public-transport users (all of us) first, and car owners (less than one third of us) last. Richard Mountford, 76 Springfield Road, Kings Heath, Birmingham B14 7DY.

Before this, however, we need a very tight and controlled operation, with area offices and an excellent staff of inspectors. Our rules were very strict on seconds, feed and even clean eggs. Our inspectors were greatly feared and anyone transgressing was punished by severe fines. The result was freedom from salmonella and disease.

Of course there were difficulties with producers, but these were subjective rather than objective: a result of farmers' opposition to any kind of controls. However, the industry produced cheap and healthy eggs. A further safeguard for the public was that eggs could be returned seven days after the packing date and a full refund claimed.

Such a system of tight rules, controls and inspections for beef would have prevented BSE from appearing or at least spreading to the present frightening level. Donald Telford, Sandy Cross House, Seale Lane, Seale, Farnham, Surrey GU10 1LE.

There is a national 24-hour postal strike from noon today. But we are confident that our readers will use technology, and ingenuity, to communicate with us as usual. Please use our fax number (0171 837 4530), or the letters-page e-mail address: letters@guardian.co.uk (e-mail letters should include a postal address)

Eggs ahead

CATHERINE Bennett is right in calling for more consumer protection (Continuing scandal of the food we eat, June 25). In the mid-sixties, I was deputy commercial director of the British Egg Marketing Board. Unfortunately, with our proposed membership of the EEC, BEMB was reduced to the Egg Authority, with no real power.

Before this, however, we need a very tight and controlled operation, with area offices and an excellent staff of inspectors. Our rules were very strict on seconds, feed and even clean eggs. Our inspectors were greatly feared and anyone transgressing was punished by severe fines. The result was freedom from salmonella and disease.

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A Country Diary

RIVER WEAR, WOLSWINGHAM. The pink flower spikes of butterbur have withered and given way to leaves of rhubarb proportions. This forest of waist-high foliage makes a perfect riverbank hide, so we sink into its shade and wait to see what turns up. A sandpiper arrives within minutes, skimming low over the water on still wingbeats and settling on the small pools left by the retreating river on the far bank. Next, a pair of long-tailed tits work their way through the birches overhead, hanging from the tips of the branches, searching for caterpillars. But they don't hold our attention for long. A family of goosanders is drifting around the bend in the river; eleven brown and buff ducklings working their way between the wet boulders in the shallows, where darting shoals of minnows provide perfect nursery training for goosander fishing skills. They are only yards away when the duck spots us. Pandemonium!

Frantic alarm calls as she stamps her brood to the far side of the river, paddling upstream across the surface on their stumpy, featherless wings. One by one they shoot the rapids like bobbing corks, regrouping around their mother and paddling out of sight. A drowsy airless heat. The only movement comes from a large brown moth, darting amongst the red campion flowers. When it settles for a few seconds it turns out to be a silver Y, here at least three months ahead of schedule. Over the last few days, a massive early influx of continental painted-lady butterflies has swept into Wearside with the warm weather, offering the unprecedented spectacle of spring-like orange tips and these side-by-side. After a finger-numbingly cold spring we seem to be fast-forwarding into high summer. PHIL GATES

When privatisation goes nuclear

The sale of British Energy is the least justified of them all

YESTERDAY'S prospectus for the privatisation of British Energy does nothing to allay fears of a rush to give the Treasury a quick financial fix leaving later administrations to pick up the tab. Almost everything about this privatisation is questionable. The industrial logic is doubtful because the company's entire assets consist of eight nuclear power stations. BE has no intention of building any more — so its future lies in diversification which has so far proved disastrous for most other utilities. The Government can't make up its mind how much BE is worth, yet at the highest end of its estimates (£1.96 billion) the company, after billions of earlier write-offs, will be worth about £1 billion less than the cost of building one of its own power stations. A low price alone won't make the shares attractive to punters weaned on instant profits from privatisation. So individual "investors" will get 5p a share compared with institutional ones and another 10p discount for those who have registered in advance. BE guarantees a highly unusual £96 million in dividends this year even though profits are expected to be only half of this. The Government deludes itself if it thinks that privatisation bribes like these have turned Britain into a nation of true shareholders. Far from encouraging what the country needs — more risk investment — it breeds short-termism in which people only buy if assured of freakishly high gains. Unsurprisingly, a huge proportion of shareholders sell

their privatised shares and hardly ever buy other shares apart from privatisation issues. As a result, the proportion of shares held by individuals (as opposed to institutions) has dropped sharply during the past 15 years.

Ian Lang, President of the Board of Trade, claimed yesterday that privatisation would improve the economic efficiency of BE. But will it? BE's productivity almost doubled between 1990 and 1994 even though privatisation wasn't on the agenda for much of that time. It also became the world-leader in capacity utilisation. There is undoubtedly scope for improvements in efficiency but they are unlikely to be on the scale achieved under public ownership. Instead, there are worries that future manpower run-downs could compromise the industry's ability — which it takes very seriously — to cope with safety risks. There are large unresolved questions about whether BE will pay for all of its potentially huge problems of waste disposal and decommissioning or whether the taxpayer will be required to cough up more. Yesterday's report in the Guardian that scientific staff at BE were worried about problems with uranium fuel in the heart of the reactors adds more uncertainty. The risks and environmental problems attached to nuclear power demand very long-term thinking which sits ill-at-ease with a privatisation culture demanding ever-higher dividends each year. British Energy is the least justified of all the privatisations.

Terrorism needs a global reply

The Saudi bomb must be squeezed into the G7 agenda

THE FIRST reports on the Saudi bombing described the horror and devastation at the US military housing area near Dhahran. They were soon followed up by reassurances that the Saudi oil trade had not been disrupted. Business must go on and markets need reassurance. Bombings are terrible events and no one can approve of them. A terrorist attack in this particular country resonates in quite a different way from a bombing carried out in Chechnya or Macedonia or even one of the small Gulf states. The effect is compounded when the attack is directed at a visible (and strangely vulnerable) symbol of the US presence in a region regarded by Washington as of vital strategic importance. Yesterday's chorus of international condemnation was a natural extension of diplomatic solidarity but it does not address the issue. John Major has got it wrong in calling the bombing "an act of pure evil for no reason."

There always is a reason: the task is to find it.

It is argued, perhaps correctly, that a massive attempt of this kind could not have been mounted without outside support. Bill Clinton has called — again — for an international effort against terrorism. The discussion now has to be squeezed into the G7 agenda; it will be the third such effort in a year. Suspicion is directed either at Iran or one of the external dissident groups. Yet, even under interrogation, the four Saudis executed for the November bombing only admitted to having been influenced by foreign faxes. The real answer must be sought within Saudi Arabia, where a feudal autocracy corrupted by great wealth offers so many targets for fundamentalist assault. To say that the country needs democracy may seem wildly idealistic. That has not stopped Western governments from demanding it elsewhere.

Kindly re-tune your set to Europe and Asia

MAY I, as a regular contributor of the BBC External Services for 30 years, offer a comment on the controversy concerning the future of the 44 language services? Apart from the services for Eastern European countries, most of the other languages services, including Portuguese for Africa and Brazil, French for Africa and Spanish for Latin America, are now directed to countries conventionally described as developing.

We are approaching a time when the European Union should project a single image consistent with its integrationist ideals and interests. Why not explore the possibility of increasing the co-op-

eration and financial support already given by the EU, so that the BBC languages services are gradually turned into a Voice of Europe, equally able to compete with other major international services, at less cost to the British taxpayer? Antonio de Figueiredo, 14 Cromwell Place, London SW14 7HA.

THE decision by Rupert Murdoch to placate the Chinese by denying BBC TV distribution in Asia via his Indian-based Star TV network (Keeping the gas on the microphone, June 24) means, for example, that BBC TV programmes are no longer available in Cambodia. The BBC

World Service became available in Cambodia 24 hours a day, via satellite from Phnom Penh, on AM/FM recently, so to some extent this has offset the news blackout caused by the loss of pictures and news. But unless the BBC takes steps to resume TV coverage in South-east Asia, how will the Chinese, like the Burmese, find out what might really be going on in their own country?

Deciding what cannot be broadcast is expected from totalitarian states, but the BBC should do all it can to counter this censorship by Michael Bowen, 2 Late Broads, Winsley, Bradford-on-Avon BA15 2NW.

Handwritten signature: "John Major 1996"

John Major 1996

Diary Matthew Norman

I AM intrigued by a Sunday Times story ("MPs get a tiger in their pants") about unnamed MPs using steroids, stored in six-month supplies in their briefcases, to invigorate their libidos. Given the paper in question, it could, of course, be a load of anabolics. Assuming it's true, however, what interests me is this: who is behind it? Might it, we wonder, be the Armed Forces Minister, Fatty Scorer? We now turn to Alan Clark's Diaries, and the entry dated Sunday, January 14, 1990. "On Thursday afternoon," Mr Clark writes, "Soames occupied a lot of Agriculture Questions... I allude to an incredibly powerful aphrodisiac he had discovered." Mr Clark then drove off to Fatty's pad, he confesses, where "he bought down a 'primal'... it has to be kept in the fridge." And there, with the alchemical genius so typical of his writing, Mr Clark leaves it. The minister, meanwhile, is "unavailable for comment," according to the MoD. Rumours that Fatty's bun has become uncommonly cold to the touch may have yet to be denied.

THE Diary becomes obsessed with John Fraser MA (Oxon), MP. What, precisely, we wonder, are the qualifications that prepared him for his career as Michael Winner's runner? After 20 seconds of questioning, Mr Fraser excuses himself to answer another phone. An eager "Yes, of course," is audible before he returns to announce: "I'm sorry, I'll have to get back to you. I've got to do something urgently... it's Mr Winner, you see." And off he goes. If anyone can cite a job of equal appeal to Mr Fraser's anywhere in Britain, champagne will be despatched.

IN the Mail on Sunday, voluble papist Piers Paul read hits levels of Johnsonian sanity and rationale, writing about Paul Hill. The Guildford Four member has (unsuccessfully) claimed damages against police who prepared the unwise evidence that caused him to spend 14 years in jail for a crime he did not commit. "He has not been content to let bygones be bygones," Mr Read writes, "or even show some appreciation of the British judicial system... I'd heard rumours about the Christians failing to write. Never thank-you note, but I never believed them until now."

WHERE most politicians pay lip service to a free press, Sir James Goldsmith favours an extremely expensive one. After a Tory Michael Spicer had a go at Sir James in Monday's Telegraph, his little helper Patrick Robertson — the Dolly Draper to Jimmy's Mandy Mandelson — demanded a right to reply. Told to submit a 1,000-word piece, he sent one of 700 words. It was rejected and when a rewrite suffered the same fate, young Robertson said: "We'll see about that," and promptly bought two-thirds of a page. Those keen to wear themselves off their sleeping tablets will find on page 15, Right, I say Sir James is an absolute twerp. Mr Robertson is welcome to rent part of the Diary to rebut that slur at a fraction of the Telegraph's price. A monkey, in cash, should do it.

LATE news. The phone of my colleague Eudaly Barr rings. "Hello, my dear," says a gruff voice. "It's Michael Winner. How are you, my dear? Yes, yes, very well thank you, Michael, coming to the point. 'Mr Fraser is far too modest to tell you about his degrees himself, so I'm going to tell you for him.' And so he does: although we are in dispute with the old darling at present (over whether he claimed his mother spent 10 years suing him), Michael is charm itself, explaining that Mr Fraser's MA (Oxon) is in history, while "he did his MPhil as a postgraduate qualification at the South Bank University. You're going to love this," he adds, checking. "His subject was The Use of Postcards as Nazi Propaganda. Ha ha ha. He has a great collection of Nazi postcards, you know." Michael chuckles once more. "Ha ha ha. OK, my dear? Goodbye, then. Ha ha ha. Bye then, dear."

WAS I CELEBRATING OR DROWNING MY SORROW?



The high road that leads to Britain

Commentary Hugo Young

DEVOLUTION is not a Scottish problem. There's no doubt that Scotland wants a parliament, and will show so at the election. By deciding to put it to a Scottish referendum, Labour is making a gesture of nerve-racked prudence but empty relevance. Devolution is an English problem, and there will be no referendum in England. The abrupt volte-face is an attempt to double-lock devolution against the kind of onslaught the Prime Minister launched last night. It doesn't address the question facing Labour from conception through drafting through implementation of the whole radical project: do the English have any ideas what is going on?

Mr Major was attacking on a broad front. He's against any therapy for our geriatric body politic. The Tories believe the constitution is perfect in every respect, and there will be plenty to say in the weeks ahead about that fantastic verdict. Right now, the vanguard issue is Scotland, the one item in Labour's constitutional package where there can be no back-sliding. The salient feature of Scotland is the variable geography of political commitment. It's an issue of spectacularly uneven maturity, depending where you live.

Up there, the matter is decided. The case for a local parliament is in the bloodstream. For two decades it has been discussed, deconstructed, re-assembled, frustrated, galvanised, and from beginning to end those in favour have grown to a steady majority. A representative Convention spent six years shaping how it might work. It now has unstoppable political force. It's devolution, or the SNP and independence. That's why Labour couldn't go back on its promise even if Mr Blair wanted to, and why the Scots Tories are close to being wiped out. The parliament has ceased to be a debatable question, certainly under a Labour government.

Scotland has reached this state, however, on its own. The six years passed without any contribution from the south. For most people here, devolution remains a Celtic mystery. They haven't been let in on it. Sympathetic commentaries, in this and other spaces, passed them by. Yet England matters now. Either the parliamentary passage of devolution or the practical arrangements for it, or both, could be wrecked by English prejudice and ignorance. This is a British issue, on which a Scottish referendum will have only local impact. Anyone inclined to doubt this should take a look at the best study of the Scottish parliament, produced this week by the Constitution Unit, an independent body of experts. It works out in some detail what a Scottish government, alongside Westminster government, would involve. Any English politician reading it will soon begin to wonder why the huge complexities it entails, and the considerable powers it will remove from Westminster without any compensating reduction in the influence of the Scots there, are worth voluntarily signing up for. This is not a nationalist point. It's a simple point about democratic politics, likely to engage the sceptical attention, when they retrieve it from the Celtic mists, of many MPs of all parties.

Scotland, for example, gets more public money per capita than England. Who will vote to let this go on? How long per annum would you have to be in Scotland to qualify for paying the tartan tax? How can the overlap of powers between London, Edinburgh and Brussels be other than a

source of incessant argument? How can it conceivably be justified that Scots MPs go on voting about policies and bills that apply only to England? How can the "tolerant pragmatism" the Unit fondly urges be expected to survive the arrival in power of different parties in Edinburgh and Westminster? These are random questions. The Unit's study yields hundreds more. To Edinburgh's devolutionist zealots, they may be trite, even impertinent. I raise them not to register dissent from devolution, but to show the urgent need to re-define the problem it presents. The Scottish phase of this problem is just about over. The English problem hasn't begun. It's a problem that will be best epitomised by three names: Brown, Cook and Dewar, with Blair a more than honorary

member of the club: the club of the top Labour triumvirate, themselves dis-mandated by the Scottish parliament, who will be running Britain. The case for devolution, in other words, needs anglicising. It has to be made to work on general, not just nationalistic, principles. The vast transitional problems it creates have to serve a convincing higher purpose, better governance, which applies as strongly to all parts of the United Kingdom, not just Scotland. For the English to understand and assent to the plans that Scotland has been

laying for itself, they need to believe the case for decentralising power everywhere else as well. In the end, this might lead to formalised regional government. Jack Straw yesterday re-affirmed the regional option, subject to popular demand. That kind of structure is a long way off. The fact that it cannot yet be projected doesn't alter the exercise in de-centralist persuasion Labour needs to conduct in England in order to persuade the whole country, and not least their own politicians, that devolution is not some Gaelic quirk being brought in to satisfy the irresistible pressure of nationalism. Straw has made a start on that. But he puts too much into the grab-bag marked constitution. Sissons and Holm have little to do with it. What matters is the clear assertion, backed by policy promises, of the case for removing power from the centre to the edge, from the Blair Cabinet to power-centres Blair does not control.

This case is very strong. Whether it's deep in the New Labour bone is another matter. If it isn't, devolution may well founder. The issues are clear: the post-Major wreckers who will need something to unite the Tory Party in opposition. To stand up to them, Labour requires a depth of conviction across party and country that is not yet apparent. Whether passive acquiescence will convert to active support, once New Labour MPs begin to understand what's being asked of them, is far from guaranteed. They need a reason, and Major's proposal of a warm-bone complacency won't be enough to supply it. The case for reform has to reach the whole of Britain. Scotland is too important to be left to the Scots: a British question, to which a Scottish referendum is a sideshow.

same in court. The information may, for instance, come from a reliable source but one who for good reason would not wish to testify in court. Newspapers may take the risk and publish anyway, but the size of jury awards for libel and the costs of fighting a case to trial mean that many stories are spiced. Because many publishers will play safe, mere doubt about whether truth can be proved in court is enough for the story to be lost.

In 1963 the US Supreme Court decided that if these conditions applied to public officials, they would be an unconstitutional restriction on freedom of speech. There could only be the vigorous defence which a democracy ought to allow if such plaintiffs had to prove that a story was published knowing it to be false or in reckless disregard of the truth. From time to time the media have since tried to persuade British judges that the common law of libel should develop in the same direction. Until recently they have received a chilly reception. However, three developments hold out more promise.

The highest courts of Australia and India have applied the essence of the American principle in their jurisdictions. Secondly, the European Court of Human Rights has repeatedly ruled that politicians in a democracy must be broad-shouldered and readier to take criticism than private individuals. Thirdly, in a 1995 case holding that a local council could not sue for libel, the House of Lords used the ideas behind the American Supreme Court to justify its decision. It remains to be seen whether these trends will produce a matching development in English law. There are cases pending which will argue that they should.

Of course, the issue could have been quickly resolved by another amendment to the Defamation Bill, but it has not so far, and the Bill has almost completed its passage through Parliament. It is not surprising that if a change which would make it more difficult for politicians to bring libel actions is going to happen, it will be due to the judges rather than the legislature.

Andrew Nicol QC is a barrister and co-author of Media Law (Longman/Penguin)

Bill of Rights. Once again, it was not the plaintiff seeking to curtail a defence, but the defendants accomplishing a very convenient conclusion to difficult litigation. Below expressions of disappointment on the part of the media that parliamentary privilege had intervened to prevent a trial were met by Parliament's recognition that Article 9 had been turned on its head and used against MPs. To Fleet Street's dismay, the appropriate clause was added to the Defamation Bill by a distinguished and liberal law lord, Lord Hoffmann. This allowed MPs to disclaim privilege in libel actions and to allow defendants unfettered grazing rights over the green fields of parliamentary proceedings. When the new Bill, presented first in the House of Lords, arrived in the Commons, the Opposition tabled an alternative amendment, also allowing MPs to waive privilege, but with the consent of the House in each individual

case. Yet it withdrew it at the very last moment, a minute before a division was to be called. Similarly, a curious amendment seeking to prevent the Bill from being applied in the three cases stayed before the courts was defeated.

Accordingly, the newspapers have now been granted exactly what they asserted they needed to deploy their defences: the ability to examine the motive and conduct in Parliament of MPs. But are the media happy with this unexpected windfall? Incredibly, the editorials are filled with protests about the erosion of an ancient privilege. In reality, it means that a convenient loophole has been closed and newspapers will have to take a lot more care when publishing defamatory stories. For two years MPs have been easy prey for the press. Now MPs have gained the same rights as other citizens.

Rupert Allason is Conservative MP for Torbay

Dangers of supping with the US



David Hirst

THREE years ago I ran into a young Saudi pilot at the giant airbase where Tuesday night's truck bomb wrought its deadly havoc. From his combat uniform to his transatlantic drawl he could have been American, though his accent was through. But it was some very anti-American things he had to say as he climbed into the cockpit of his British Tornado fighter bomber.

He spoke of Operation Desert Storm and the time when he had joined the western "allies" in bombing raids on Iraq. "Look," he said, "Saddam was my enemy then. But now, when that guy turns on his radar, you hit him from right here in Dabran. I don't like that. It is time you did the same to the Israelis."

That encapsulates the contradiction at the heart of Saudi public opinion. On the one hand many Saudis, especially the western-educated among them, have a real affinity for the West, even if it is not always the best of western ways to which they most eagerly take.

On the other hand, they often frankly loathe America's policies and none more than its seemingly incorrigible bias in favour of Israel. The Saudis may not have any particular liking for the Palestinians as individuals. They mostly know them as expatriates working in the kingdom, and they know that, like millions of others, the only reason they are there is to take their money off them. But that does not mean that as Arabs and Muslims, they have no feeling for the Palestinian cause. It is often surprising, in fact, how strongly they do feel about it.

The House of Saud is deeply aware of the dilemma this contradiction poses. It would like to think, of course, that the anti-US terror is the work of foreign agents, with Iran or Iraq as their likely sponsors. That was its working assumption after last November's bombing. So it was with undisguised sorrow that the Interior Minister, Prince Nayef, announced the truth: four Saudis born and bred were to be beheaded for their "anti-Islamic" crime.

The regime knows that it is a vicious circle, that the more trouble it faces from its home-grown Islamic militants, the more it has to rely, in the final analysis, on a US protection that only aggravates the trouble.

WHERE the Saudi regime cannot prevent a US policy about which it has serious misgivings, it seeks to belittle its own association with it. That is why, for example, it has never formally admitted that the American, British and French planes which police Iraq's southern "aerial exclusion zone" fly out of Dabran airbase for the purpose. All the public is supposed, officially, to know is that they do so from "somewhere in the region".

But what the House of Saud most needs is something that only its American ally can furnish, which is a fundamental change of policy on Israel, and all those Arab and Muslim issues which, in Saudi eyes, are more or less intimately related to it.

That came out clearly when, last month, the US embassy in Riyadh issued a warning to 35,000 Americans living in the kingdom. They should take special precautions, it said, because there were good reasons to suspect that the Islamic terrorists were about to strike again. And it was said that among the terrorists' grievances, this time, were Israel's Grapes of Wrath assault on Lebanon, the massacre of innocents at Qana and the irrefutable evidence this furnished that America "hates the Arabs and Muslims".

Sword and shield

This week's vote on the Defamation Bill, prompted by Neil Hamilton's case against the Guardian, helps MPs to sue the press; but, argues Andrew Nicol, they should pass a higher test. Below, Rupert Allason states why he will sue

PARLIAMENT made it easier this week for MPs to sue for libel. Up till now there has not been a complete block. They have been able to sue, and several awards of damages. However, the Bill of Rights which prevents the courts from examining proceedings in Parliament created an obstacle. In some cases this meant that a newspaper could not effectively run its defence because it could prove that an article was true or fair comment only by subjecting the plaintiff's parliamentary activities to scrutiny by judge or jury. There was obvious unfairness in allowing such actions to proceed when the real defence could not be tried. For this reason, the MPs Rupert Allason and Neil Hamilton found that their libel actions were frozen.

This week the Commons approved an amendment to the Defamation Bill which will allow MPs to choose to forgo their protection from judicial investigation and so unfreeze the Allason and Hamilton type of action. Labour MP Paul Boateng objected that it was wrong to treat such important privileges as a private perk to be given up in pursuit of some more valuable private interest. The protection was introduced three centuries ago for the benefit of Parliament as an institution, and there ought to be impartial consideration of whether Parliament would be harmed before the privilege is waived in a particular case. Although this issue is important, it raises the more serious question of when MPs or other public officials ought to be able to sue for libel. Presently they, like anyone else, have only to show that a publication is defamatory. It is then for the newspaper or other defendant to show that the article was true or fair comment or published in the exercise of a specially protected ("privileged") occasion. Court and parliamentary reports are privileged, but there is no general privilege yet established for reporting the activities of politicians or matters of general importance. Supporters of the present law say that politicians, like anyone else, are entitled to protect their reputations from unjustified smears. Freedom of expression is vital for allowing the truth to circulate but not for false rumours. Placing the burden on newspapers of proving the truth of what they publish is a salutary discipline. The problem with such arguments is that they ignore the difference between journalistic evaluation of a story and the process of establishing the truth of a proposition in court. No one wants to encourage sloppy reporting, far less the publication of stories which are known to be false or which are based on inquiries which have shown them to be untrue. Yet there can be a world of difference between a careful editorial appraisal that a story is true and proving the

Her fourth birthday may well be her last, but she isn't ill



She's poor

In countries like the Gambia, one in four children die before their fifth birthday. The diseases they suffer from die. But the cause is almost always the same. Poverty. ACTIONAID is working in some of the poorest areas of the world to end this cycle of despair. Helping local communities to provide clean water, education, health, nutrition, food production and a means to generate their own income. Sponsor a child like Nyana and you'll be helping her lead a healthy and happy life. A photograph and regular reports keep you in touch. You will receive messages from the child and can write to her. By becoming a sponsor you'll make all the difference to the life of a child like Nyana. Please sponsor a child today. For more details about sponsoring a child, or call 01460 61073. I am interested in sponsoring in: Africa Asia Where there's greatest need. I want to sponsor a child now, but deferring a gift at: £200 £100 £50 £25 £10. Make cheques payable to ACTIONAID, and send to ACTIONAID, FREEPOST, 40004, Chesham, Bucks HP81 1ER. 18189. Name: Address: Postcode: Telephone: Email: ACTIONAID

Veronica Guerin

Fighter for young lives

SIX MONTHS ago when Veronica Guerin received an international Press Freedom award in New York for "fearlessly covering Ireland's criminal figures" she admitted to a sense of embarrassment. It was just that the four journalists who were honoured alongside her (from Russia, Guatemala, Indonesia and Zambia) had suffered extreme violence at the hands of the authorities. In Guatemala 70 journalists had died in 15 years. She felt her own investigations into the Irish underworld paled in comparison. But then yesterday she was shot dead when two men intercepted her car at traffic lights in Dublin. She was 38.

Veronica Guerin had been investigating drug-related crime stories for five years. Her first serious run-in with the "culture of violence, money and evil" which she characterised as Ireland's underworld, came two and half years ago when someone fired a single shot through the window of her North Dublin home as she played with her six-year-old son.

'Those bastards are destroying lives and they are practically untouchable'

After this she thought it time to reassert her role as one of Ireland's foremost investigative journalists, not least because it placed her son and husband in danger. "Well, I discussed it with my husband because he had said 'Hang on a second, if this is the type of shit that we're going to be faced with... But I thought, what was the point in giving in to them? That's just what they want. They'll think that they can

just continue doing it to everybody else. So I carried on." And so did they. Her second run-in with the self-same underworld occurred in January 1995, a day after she had published a lengthy piece on how the chief suspect in Ireland's biggest ever robbery had availed himself of the country's tax amnesty. She thought this odd, a legitimisation of violence and evil. Her piece questioned how someone could have been exempted from the tax authorities without a rigorous investigation into how the money had been accumulated.

She wrote her piece, and the next day she was shot. "I was talking to a friend on the phone and there was a knock at the door," she recalled. "I put the phone down and opened the door. The guy just came in. Barged in. The first thing I saw was the gun. And it looked huge and the light was shining on the thing. I didn't see him, I just saw the gun. I don't know why, but I did it instinctively, I went into the foetal position. And he put the gun to my head. And I think that when the gun was at my head, I began to roar - it wasn't a scream.



Veronica Guerin... 'I just would not give in'

called at a house in Dublin's suburbs. It was 9 am. She wanted to ask the owner how someone just out of prison could have accrued the vast sums of money he had just declared in tax returns. Her piece, the Sunday Independent, traced what happened next, primarily because it was the result of an ongoing police investigation. They reported simply that she had been assaulted, and that when another journalist from the paper contacted the suspect, he threatened to "find out who the fuck you are, and kill you too".

Guerin took what precautions she could. Her newspaper installed a £25,000 security system in her home and after the September attack she was given a 24-hour police escort. But by December this was cramping her style. "It was stifling, I mean, you can do fuck all if you're trying to be a crime reporter and you've got two guards walking around with you."

Guerin's reputation was not only based on crime investigations. She famously tracked down the Bishop of Galway, Eamonn Casey, to Ecuador, where he had gone into hiding after the revelation of his relationship with an American divorcee. She did not write about her first meetings

with the fugitive bishop, instead using them to build up a rapport which later paid dividends when he granted her his first post-flight interview, published in her then paper, the Sunday Tribune.

But, after being shot and then beaten up, Guerin became even better known for exposing crooks. Admitting that initially she was motivated by "the buzz", the thrill of the chase, she said that from 1994 onwards, with the growth of a drug-centred culture, her motives altered. "I haven't given up because it's genuinely a job that has to be done. I could say I'm motivated about this because I

wanted to see us address the socio-economic problems but that's not it. It just makes me sick that these bastards make money through the deaths of others, and they don't give a shit what they're doing to young kids. "I'm more interested in exposing the guys who are bringing [drugs] in, rather than highlighting where the government is failing. Over the past two years what drives me has changed - now I feel those bastards have to be exposed because they're just making so much money. They are destroying lives, and they are practically untouchable."

Birthdays

Isabelle Adjani, actress, 41; Eustace (ER) Braithwaite, Caribbean writer and diplomat, 74; David Clelland, Labour MP, 53; Alan Coren, writer and broadcaster, 58; Beth Chatto, horticulturist, 73; Prof Michael Dummett, logician, 71; Shirley Ann Field, actress, 52; Sara-Jane Hoare, fashion editor, 41; Lord Hope, Lord Justice General of Scotland, 54; Bruce Johnston, singer, 52; Ian Lang MP, president of the Board of Trade, 56; Muriel Pavlov, actress, 74; Dr Thurstan Shaw, archaeologist of Nigeria, 82; Alan Tyrrell, QC, crown court recorder, 63; William Wilson, chief constable, Central Scotland, 53; Hugh Wood, composer, 64.

Death Notices

MARTLEY Thomas, 64, of Rotherham and 5 Bromley Avenue, Liverpool, beloved son of Ted and Jane, brother of William and John, died June 26th 1996, aged 61 years. Informal service to celebrate his life will be held at Rotherham Crematorium, Monday 1st July at 10.30pm. Family flowers gratefully received. All donations and enquiries to Rotherham and Sons, 6 Bromley Valley Road, Rotherham. Telephone 01142 36766.

Engagements

Dr Andrew Mitchell - Miss Mary Green. The engagement is announced between Dr Andrew Mitchell, son of Dr & Mrs G.C. Mitchell of 11, The Green, Rotherham, and Miss Mary Green, daughter of Mr & Mrs A.W. Green of 11, The Green, Rotherham. The wedding will be held at Rotherham Town Hall on 27th July 1996. Mr & Mrs Mitchell and Mrs Green will be pleased to receive friends at their homes. Telephone 0114 271 4125.

Irving Krick

Forecasting for victory

THEY were still re-fighting the war yesterday and not only at Wembley. The death of the veteran weatherman Dr Irving Krick, re-ignited controversy over his claim to have been the meteorological saviour of the 1944 D-Day invasion.

This time the dispute, which has flared up sporadically for the last half century, is between British and American meteorologists, partly over techniques of long-term and short-term forecasting. More grandiosely, it is about who won the war. As both sides recognised, a wrong forecast could have led to storms engulfing the long-planned Allied invasion fleet and could have delayed the assault on Nazi-occupied Europe for months or even years, allowing Hitler time to build up his U-boats and V-missiles and perhaps to produce atomic weapons.

point that Krick was also in favour of an invasion on June 5, which Eisenhower called off because of bad weather. "It would have been a disaster," Normanton said. Moreover, Krick - as weather expert for US Strategic Air Forces in Europe - was only one of a team of six meteorologists who were consulted daily on a scrambler telephone from Southwick House by Dr James Stagg, Eisenhower's senior Met Office adviser. These six had at least four other staff feeding in data. Stagg's book about those



Long-range expert... Krick

frantic days, *Forecasting for Overlord* (1971), says that on June 6 he obtained "experts' agreement" from this team only just in time to brief Eisenhower and fellow-officers. He also records that on June 4 Krick and his deputy, Benny Holzman, were markedly more "optimistic" than others about a June 5 invasion date. Stagg is remembered as a diplomatic chairman who took pains not to credit or blame either himself or team members. "The credit for these forecasts was beyond doubt collective," said Krick.

ard Ogden, who was a Met Office forecaster at the time. As for the pinpointing of June 6, 7 and 8, Ogden said these dates came originally from the Met Office. They were unsurprising because conditions would only have been suitable for one or two three-day periods in June. "But Krick still thought he had been right all along - and he was a very persuasive character."

Normanton, who went on to become a Conservative MP and company chairman, and to organise the 1994 D-Day celebrations in Hampshire, is now 73. He singled out Stagg's book as "the most valuable recollection of what took place". Maurice Crewe, librarian of the National Meteorological Archive, said: "Krick may have been right often enough to establish a reputation. But he was also a powerful self-promoter. He had a habit of boasting to a 1971 symposium that his advice had launched a 1,000-bomber raid into Germany in February, 1944, "and it was still snowing at the prime target around Leipzig when the bombers took off." But the target was clear for the drop.

He declared: "We were in such conflict with the British about launching D-Day on June 5. We finally gave up and said the hell with it. Trying to reach a common opinion over scrambler telephones was not the way to do it." Tom Normanton summed up yesterday: "In life, there is always a great danger of conjuring up an idea and making it fit what didn't happen."

Atlanta in *Gone with the Wind*. He also built up his reputation as a rainmaker. Among his specialities was using long-term weather records to produce five-day weather forecasts in contrast to the three-day versions then current elsewhere. For D-Day he drew on 40 years of records.

This, plus his vaunting manner, made him perhaps more suspect than he deserved in Britain. Here it tended to be felt that longer-range predictions, while feasible in the more stable weather patterns of the continental US, were shaky for a changeable island and coastal climate.

One British meteorologist of the time admitted: "We never had a problem for which we needed a five-day forecast until this one (D-Day) turned up. We learned a lot from Dr Krick." Krick scorned these worries by boasting to a 1971 symposium that his advice had launched a 1,000-bomber raid into Germany in February, 1944, "and it was still snowing at the prime target around Leipzig when the bombers took off." But the target was clear for the drop.

Nicholas John

Light on the opera

NICHOLAS JOHN, the literary manager of the English National Opera, who has been killed at the age of 43 in a walking accident in Switzerland, was a leading figure with the company for 20 years. He was taking a group of music lovers on a tour to the Schubert festival at Feldkirch and, typically, would have been regaling them not only with an inspired, informative and entertaining introduction to the music they were going to hear but also providing information on the history, art and architecture along the way.

Nick was in his early twenties when he joined ENO. He had been educated at Westminster and University College, Oxford, where he read law. After graduating in 1973 he qualified as a solicitor but left the legal profession three years later to spend a summer with the Harrogate Festival, his first job in the arts.

He was taken on by English National Opera in 1976 as publications editor. His knowledge and understanding of the operatic repertoire were extensive and constantly augmented. Proof of this was a perception by valued collaborators. At the time of his death he was nearing completion of a Blue Guide to operatic Europe and the Earl of Harewood had just asked him to take charge of a new edition of *Kobayashi's Opera Guide*. This would have given further scope to his mission to inform and enlighten.

In 1985 the post of dramatic producer was made for him at ENO and he extended his activities yet further to work directly with conductors, producers and designers from the in-house team of Mark Elder and David Pountney to Jonathan Miller and many others. As a result of this work he produced two books, a collection of essays on *Don Giovanni* and *Violetta and her Sisters*, a book which looked at every aspect of Verdi's *La Traviata* and its literary sources, with contributions from an intriguingly wide range of commentators including Dame Barbara Cartland.

His visual sense was acute

He was one of those rare people against whom it was always worth testing a difficult idea

so that all the publications he worked on were designed with an eye for a perception by valued collaborators. At the time of his death he was nearing completion of a Blue Guide to operatic Europe and the Earl of Harewood had just asked him to take charge of a new edition of *Kobayashi's Opera Guide*. This would have given further scope to his mission to inform and enlighten.

communicating and life-giving force and would organise party bookings to ENO performances for huge numbers of friends and acquaintances, abandoning sheaves of proofs to rush to Soho for quantities of food and wine which would then be distributed lavishly during the interval. It is almost impossible to imagine an opening night at English National Opera without him.

Henrietta Bradin

David Pountney adds: For a company committed to adventurous work, the quality of its literary back-up - whether programmes, translations or opera guides, is crucial. Nick John was brilliant editor and deviser of programmes whose adventurous and challenging design, content and layout opened the audience's mind to the possibilities of the productions it was about to see.

For the directors of these productions he was a constant source of succinctly digested information and gentle but penetrating criticism. Nick was one of those rare people against whom it was always worth testing a difficult idea: his original and sometimes idiosyncratic mind always provided a pertinent sounding board. We were a raucous and opinionated team of collaborators but Nick's persistence and his passionate commitment to the company's ideals always made their mark. There was no one in London who knew or cared more about truly alive opera performance. His sudden absence is brutal and deeply distressing.

Nicholas John, dramatist, born August 18 1952; died June 25 1996

Jackdaw



Times rhymes

TUES: Zoo's crews abuse shoes, peruse ewes' queues, yews hives, gnus' moos, roos' ches, Schmoos, choose views two's woos, refuse choice booze, blues. Dues cruise ruse news (Zoo employees wear out their feet, in find their duties, and keep a bright outlook despite rumours management abuse of their union payments) Bright light might right sight plight (New laser surgery technique may cure myopia) Tax job box (An energetic group of environmental activists spent most of last weekend trapping salmon

swimming upstream toward the site of a recent toxic waste spillage. The salmon were taken, in specially constructed water-filled boxes, several miles upstream and released to continue their journey) Pussel hassle castle vassal (Zealous reporters in a crowd harangue Prince Charles' valet) Met, net bet jet, get wet, pet, let vet fret (Two New York athletes make a friendly wager against fellow Big Apple pro, win a soaked animal, and give it to an animal doctor to worry about) Veggie wedgie! Reggie edgy (Outfielder Jackson apprehensive over rumour that teammate plans to sneak up and stuff broccoli into his shorts) Virginia purgin surgin (Moves to suppress volcano gods seen on rise) Lewd crude dude viewed prude; nude sued (Peeping tom sued by nude victim) Mite fright: "Lite" white bite might snite (Yet another health hazard was announced by scientists who discovered a potentially lethal microscopic organism in

skimmed milk) Wide bride cried "Clyde lied" (Overweight woman left standing at the altar) Droop scoop dope (Woman buys counterfeit Wonderbra) Simpson's pimps on gimps on limps on (Referring to OJ's defence team contention that his knees would not have permitted him to climb the fence) Tex mex wrecks sex (New medical study) Winners and runners up in a competition in which readers were asked to create newspaper headlines in which all the words rhymed in *Atlantic* magazine, online at www.theatlantic.com/

Drug line

HE FINALLY received the message he was waiting for from his New York source and quickly relayed it to a buyer he had lined up in Boston. "I'm selling this guy about three pounds of marijuana," he explains. "It's a major cash crop for me. There's no point in selling it in little

quantities, it's the big amounts that generate cash. "Mainly I deal in heroin and cocaine. The dealers finally wised up," he says, scrolling through a message that arrived while he was talking. "They started to package heroin in much smaller bags, and the stuff here in Boston, it's really really pure, you can snort all you want. So all those people who hate needles, and saw heroin as some kind of junkie drug, can do it and feel good about themselves."

"Basically nobody thinks this is going on, which is fine by me," says Terry. "But while they are just now starting to realise that the Internet isn't only good for recipes and movie reviews, I'm expanding. "I buy every one of my top dealers a cheap system, for around 500 bucks, and set them up on the Net. After I finish building the network, I'm going to expand in DC and Baltimore. With the system set up the way it is, there isn't a trace of hard copy evidence. I never have to worry about phone taps, and I save enor-

mous cash on long distance calls, since dropping an e-mail letter to someone in Tokyo costs the same as dropping it to someone in the next apartment."

Crime avenger

CAPTAIN GOOD with his Goodbrother, tours the streets of Taunton, Massachusetts, to educate the young and three times a week on cable TV, makes the underworld tremble. For Captain Good, aka Richard P. Pimental, long serving member of the police force and granddaddy, it's a non-stop battle against the pimps, hookers, johns and drug pushers of the town. As long as the criminals don't quit, he won't, says the officer who's been described as having "a stomach, heart and ego as big as the great outdoors". On his crimewatch TV shows,

Captain Good presents "Sleaze Alerts", tips on how to beat the criminals, shows colour pictures of those charged with crimes and tells viewers who they are. That's all before the insults begin - epithets that could never pass the lips of Superman, but come easily to the former US marine who was decorated for valour in Vietnam. Creatures of dogs, dirt bags, degenerate dogs, dirt bags, dinks, faceless cowards, gutter creeps, hair balls, lowlife punks, maggots, scum, sleaze



Downlow... criminal records

last year. Dept of Religion: Grade is determined by God. Dept of Philosophy: What is a grade? Law School: Students are asked to defend their position of why they should receive an A. Dept of Mathematics: Grades are variable. Dept of Logic: If and only if the student is present for the final and the student has accumulated a passing grade then the student will receive an A. Dept of Computer Science: Random number generator determines grade. Department of Physical Education: Everybody gets an A. How your exam papers were marked this summer at www.umd.umich.edu

Jackdaw wants jewels. E-mail jackdaw@guardian.com; fax 0171-715 4366; Jackdaw, The Guardian, 119 Farringdon Road, London EC1R 3ER.

Emily Sheffield

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CP 11/15/96

Financial Editor: Alex Brummer
Telephone: 0171-239-9610
Fax: 0171-833-4456

Finance Guardian

Costain halts share trading

Tony May

THE creditworthiness of Costain — builder of the Newbury bypass — was in question yesterday as the troubled construction group asked for its shares to be suspended after they slumped 44.3 per cent in a few hours' trading.

Once one of the UK's biggest construction and building companies, Costain has been struggling to eliminate debts first incurred in building the Channel Tunnel. It has been attempting to sell its US coal-mining operations — variously estimated at £50 million or £90 million — in what is seen in the City as a last-ditch attempt to save the firm and jobs of 11,000 employees around the globe.

Earlier this month Costain, which owes its banks £74 million, won the £74 million contract to build the Newbury Bypass, but that will not pay off for years and the troubles yesterday led environmental campaigners to call for the project to be halted.

Amidst hectic trading on the stock market yesterday morning more than £16 million was wiped off the group's market value, leaving it worth just £20.2 million or a tenth of its £209 million valuation early in 1994. The group asked for trading to be suspended as the share price fell to 10p.

The group issued a brief statement to the stock exchange saying that it would miss its previous target of announcing its 1995 results towards the end of June.

It said: "This timetable for the issue of its results will not now be met. Costain expects to be able to make an announcement concerning these results and other significant corporate developments

shortly." The company has delayed releasing its results in the hope that it could announce them along with the sale of its US coal-mining division.

A company spokesman said the sale of the coal unit was at an "advanced stage of discussion". He said it would also announce other "significant developments of a positive nature" — possibly next week. He would not say if these included management changes.

It is understood that an overseas company is ready to underpin the group and that this might lead to management changes at a later stage.

As the group's shares were suspended, IBCA, the European credit-rating agency, said it had placed the ratings of Costain Group "on Rating Watch with negative implications".

IBCA said Costain's debt was rated at CCC long-term and C short-term. IBCA added: "Costain has announced that it cannot produce its results for the year ended December 31, 1995 or publish its report and accounts by the end of this month — a Stock Exchange listing requirement."

"Following two profit warnings since the start of 1996, the equity base of the group is clearly under pressure and relies heavily on the support afforded by the accounting treatment of its pension fund provisions."

Amidst the crisis, Friends of the Earth called on Sir George Young, the Transport Secretary, to halt construction of the Newbury bypass. Following the suspension of Costain's shares, F&E urged Sir George not to pay Costain the £18 million of public money promised to it, as Costain might not be able to fulfill its contractual obligations.



Newbury bypass protest... now the builder, Costain, is in trouble after the construction group asked for its shares to be suspended because of debts. PHOTOGRAPH: MARTIN ARQUES

BT dials trouble in fight against cable

Nicholas Barnister
Technology Editor

BITISH Telecom's campaign to win back subscribers who switched to cable companies has backfired, with complaints that it used ex-directory numbers to contact former customers.

Don Cruickshank, the director general of Ofcom, has demanded a full report from BT on both its use of ex-directory numbers and allegations that it used misleading information.

Former BT customers and the Cable Communications Association had complained about BT's campaign, which has run for about four weeks.

A BT spokesman said: "Obviously we take things like this very seriously and a thorough review of what happened is taking place. But so far the indications are that we have done nothing wrong. We have been ringing people who have switched to cable, as part of a marketing campaign over the past few weeks. Unfortunately it appears that some of these people have been ex-directory."

He pointed out that it was not illegal to ring someone who was ex-directory, and that these numbers were sometimes included in lists by other organisations.

He said the group could never be sure that staff had not been over-zealous in selling its services. But it would be contrary to their training and it would be a disciplinary matter if they were found to be doing so.

Later BT cut its campaign work from a very carefully prepared script, he said.

The cable companies have been making significant inroads into BT's residential customer base. The company estimates that it is losing about 50,000 customers a week to them.

Earlier this year it revealed that its number of residential customers had fallen for the first time.

Notebook

On the nuclear Titanic's deck



Edited by
Alex Brummer

TECHNICAL uncertainty was always going to make the pricing of British Energy shares difficult. Nevertheless, a valuation range on a privatisation issue spanning £1.26 billion to £1.96 billion is as unprecedented as it is ridiculous.

Trade Secretary Ian Lang's insistence that this was an appropriate way to price the company that will own the country's eight most modern nuclear reactors does not wash. The history of this sell-off tells us that the Government would have been better advised to postpone or cancel this last big privatisation before the election.

When the sale was launched in May 1995, the Government said that a £2.6 billion shortfall in funds for the decommissioning of old Magnox stations (not for sale) would be met by British Energy (BE) proceeds. In other words, the sale would raise at least £2.6 billion.

When government adviser Barclays De Zoete Wedd (BZW) came to value the company, it found itself painted into a corner. It duly came up with a valuation range of £2.4 billion to £2.8 billion.

To do so it had to make highly optimistic assumptions that electricity pool prices — widely regarded as on their way down — would stay level, and that the eight reactors could achieve substantial increases in output.

Later BZW cut its valuation when it became clear the City would not buy the story. It went for a more conservative £1.7 billion, and added a few caveats to that.

In the interim, there has been an unbroken series of questions raised about the performance of the reactors, culminating in yesterday's disclosure on these pages that nuclear inspectors are investigating faults in the fuel pins of six of the stations.

The prospectus has been allowed to admit that this problem has been identified in two stations, not just one, as the pathfinder prospectus said two weeks ago.

What the full sale document does not say is that the problem could at best cap further increases in output, and at worst actually force BE to cut output. This would have an impact on the company's revenues and profits — and therefore on its valuation.

As investors have juggled with the vexed question of whether this is a bargain or an item from a reject shop, so the value of BE has shrunk and shrunk. Not because of "market conditions", as Mr Lang put it, borrowing the language used when the Gulf war overhung the stock market during the 1990 sale of National Power and Power

Gen — but because the City now more clearly understands the huge technical and safety question marks over this sale.

The prospectus establishes that the Government would be prepared to sell BE for as little as £1.36 billion, even though this is nearly a third of the capital cost of its prize asset, Sizewell B.

There will be no shortage of questions for the National Audit Office when it investigates whether this privatisation represented good value for taxpayers.

As for small investors, they are being asked to sign a blank check, albeit one sweetened with the promise of a gross dividend of 6.2 to 9.8 per cent. This unacceptable issue should be given the widest berth.

Board lessons

CORPORATE governance has gone international with the first annual meeting in London of the International Corporate Governance Network. The aim of the network, representing individual or institutional shareholders, is to spread good practice.

Amidst congratulatory at the conference there will inevitably be a danger that UK organisations will see themselves as missionaries, taking the message to less enlightened countries, beginning with the rest of Europe, and that the venture will be seen as a defensive measure aimed at fending off some kind of European Union directive.

Both outcomes would be unfortunate. A directive is probably unnecessary and would certainly be untimely. But while Britain has a well-developed structure of corporate governance, the practices lag behind the principle.

That has been made clear by events this week at Wickes, where investors have sat back and watched profits grow only to start complaining about boardroom practices when things go wrong.

The international network might help to change that attitude, if it leads to more intervention — like that of leading US fund Calpers — being imported to Britain.

Newbury nasty

NO sooner had Wickes given the stock market a scare than Costain, contractors on the Newbury bypass, found itself at the end of share-price collapse which saw the company's value plunge by 44 per cent in a matter of minutes.

These financial difficulties have been known for some time, and have not been helped by the Channel Tunnel.

While shareholders keep their fingers crossed, Costain is working on a sale of its US coal assets and management shakeup, which it hopes will keep it in the receivers. What a pity, though, that pressure for change was not exerted earlier and more firmly — without putting 11,000 jobs at risk worldwide.

£1m-a-year Wickes chief quits

Simon Beavis
Industrial Editor

HENRY Sweetbaum, the £1 million-a-year head of DIY chain Wickes, yesterday bowed to City pressure and resigned as the company pushed through a boardroom shake-up and called in lawyers and accountants to investigate serious accounting problems.

Mr Sweetbaum tendered his resignation at a crisis board meeting called after trading in the company's shares was suspended on Tuesday and which continued late into yesterday evening. It followed an admission that

accounting difficulties could have led to profits for 1995 being overstated.

The suspension of the stock came after a 40p slide in shares and provoked outrage among big City investors — much of it directed at Mr Sweetbaum.

He had courted controversy previously by continuing to hold the dual role of chairman and chief executive and because of his pay which totalled £1.2 million last year. His pay settlement included a £750,000 long-term bonus awarded even though the group lost £1 million.

Two non-executives have been drafted in to steer the company out of the crisis.

Michael von Brentano takes the role of non-executive chairman, while Robert Burrow becomes deputy chairman. Michael Corner takes the role of director of operations working temporarily alongside finance director Stuart Stradling with both men reporting to Mr von Brentano.

The new-look board also agreed last night to call in lawyers Linklaters & Paines and accountants Price Waterhouse to investigate the financial problems, which are thought to relate to the treatment of cash discounts given to DIY stores by suppliers in return for big orders.

There have been suggestions that Wickes may have included some of the sums, known in the sector as overriders, in annual profits before sufficient stock had been sold to justify the discounts.

The inquiry will not only focus on the 1995 accounts but reports in previous years too, after an admission from the company that they could also have been overstated.

Mr Stradling, brought in from SBC Warburg a year ago to be finance director, is expected to continue in the role until the inquiry is complete.

It was unclear last night if Wickes had agreed a settlement from the company for agreeing to step down early.

Zambian agency faces inquiry

Copper crisis

Paul Murphy and
Patrick Donovan

CITY regulators spearheading the international inquiry into apparent attempts to rig the world copper market have extended their investigation to include the London trading operation of Zambia, one of the world's biggest suppliers of the metal.

Zambian Consolidated Copper Mines (ZCCM), a state-owned agency, is understood to have been drawn into the Sumitomo scandal by virtue of its links with Global Minerals & Metals (GMM), the US metals broker which transacted substantial business with Yaso Hamanaka — the Japanese "rogue trader" whose unauthorised trading over 10 years has cost Sumitomo more than £1.2 billion.

Webby Wake, head of ZCCM's London operation, was abroad on business yesterday. But the group's general manager for sales, Urbano Mutati, who has flown in from Lusaka to London, said he had no knowledge of the investigation. He con-

firmed, however, that his firm had done business with GMM in the US.

"As far as we are concerned (GMM) are just customers. They purchased physical copper from us. They didn't take our positions," he said.

"Obviously client contracts are confidential, but any authority can come and talk to us. We have nothing to hide or fear," he added.

Mr Mutati denied market rumours that the Zambian agency might be sitting on a "long" market position of 100,000 tonnes of copper and have suffered extended losses as a result — rumours which have helped to undermine the price of copper since the Sumitomo affair broke two weeks ago.

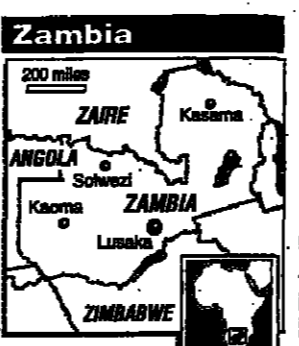
Regulatory sources say that as part of the investigation they will examine relations between brokers who had close links with the Hamanaka — including GMM in the US and Winchester Commodities in Britain — and clients other than Sumitomo.

They are thought to be interested in the activity of two British-registered firms — Memaco Services and Memaco Trading — which were consolidated into ZCCM at the beginning of this year.

Mr Mutati explained that the Memaco companies were set up in the early 1980s "to help cover shortfalls in production, meeting delivery schedules for customers and the likes". He denied these firms were involved in any sort of market speculation, although they did do "a little bit of controlled business".

Once one of the world's top five copper producers, Zambia's output has suffered due to political and industrial upheaval of late. But the annual production of 350,000 tonnes still accounts for 80 per cent of the country's exchange earnings.

Recently privatisation has been mooted for ZCCM, which is 25 per cent controlled by Anglo American.



Vital resource
GDP: \$581,707,500 (1993)
Copper: 79% of GDP
90% of exports

Eastern Group ex-director on charge of insider dealing

Nicholas Barnister
and Simon Beavis

THE Eastern Group's former strategy director, Douglas Swinden, has been charged with insider dealing following his alleged purchase of shares in another regional electricity group.

He has been charged with buying 2,000 shares in Seeboard when he had price-sensitive information about the electricity companies in a letter from the industry regulator to Eastern's chairman.

In April, Dr Swinden was committed for trial at the Old Bailey. The case has now been transferred to Middlesex Crown Court.

The legal action against Dr Swinden follows a Department of Trade and Industry investigation into dealings in Seeboard shares between June and August 1994.

Biotech set for Footsie as it seeks cash to fund drugs development

Tony May

BITISH Biotech, Europe's leading biotechnology firm, may soon be a candidate for the FTSE-100 index, even though it would still be a loss-making company with no revenues.

Through a rights issue the Oxford-based group is asking its shareholders for £143.4 million to fund drug development, and is also planning a nine-for-one capitalisation issue.

John Savin, an analyst with Greig Middleton, said that following the rights and capitalisation issues, and taking into account the potential of the company's key developmental drugs, the group will be valued at £2 billion, ranking among the UK's top 100 companies.

After the changes he saw the group's fair value at 447p per share.

The issue, to be made on the basis of one new share at £20.50 for every eight held, was widely expected and its shares traded down 5p at £23.75.

The City has piled cash

into the company in the expectation that it will be taken into the FTSE-100 index.

In essence, British Biotech is seeking to emulate the US firm, Amgen. It now has billions of dollars of sales on the back of its Neupogen and Epogen drugs.

But Biotech still has a long way to go. In a separate announcement, it said losses in the year to April 30 narrowed from £26.3 million to £25.2 million. It intends to build new laboratories and enough offices to consolidate all its operations in one site.

TOURIST RATES — BANK SELLS

Australia 1.6825	France 7.72	Italy 2.318	Singapore 2.22
Austria 16.28	Germany 2.2850	Netherlands 2.5550	South Africa 1.30
Belgium 46.96	Greece 364.50	New Zealand 2.20	Spain 192.00
Canada 2.04	Hong Kong 11.02	Norway 9.8190	Sweden 10.05
Cyprus 0.7015	India 63.77	Portugal 236.50	Switzerland 1.8750
Denmark 8.8450	Ireland 0.9450	Turkey 120.9871	USA 1.5000
Finland 7.0950	Israel 4.98	Saudi Arabia 5.74	

Supplied by NatWest Bank (excluding Indian rupee and Israeli shekel).

G7 SUMMIT in LYON

American sanctions split western leaders

IAN BLACK reveals what's behind the diplomatic row that threatens to disrupt the running order

A BEHIND the scenes skirmish over United States sanctions against allies trading with Cuba, Iran and Libya is threatening to break out into open warfare at today's world economic summit in Lyon.

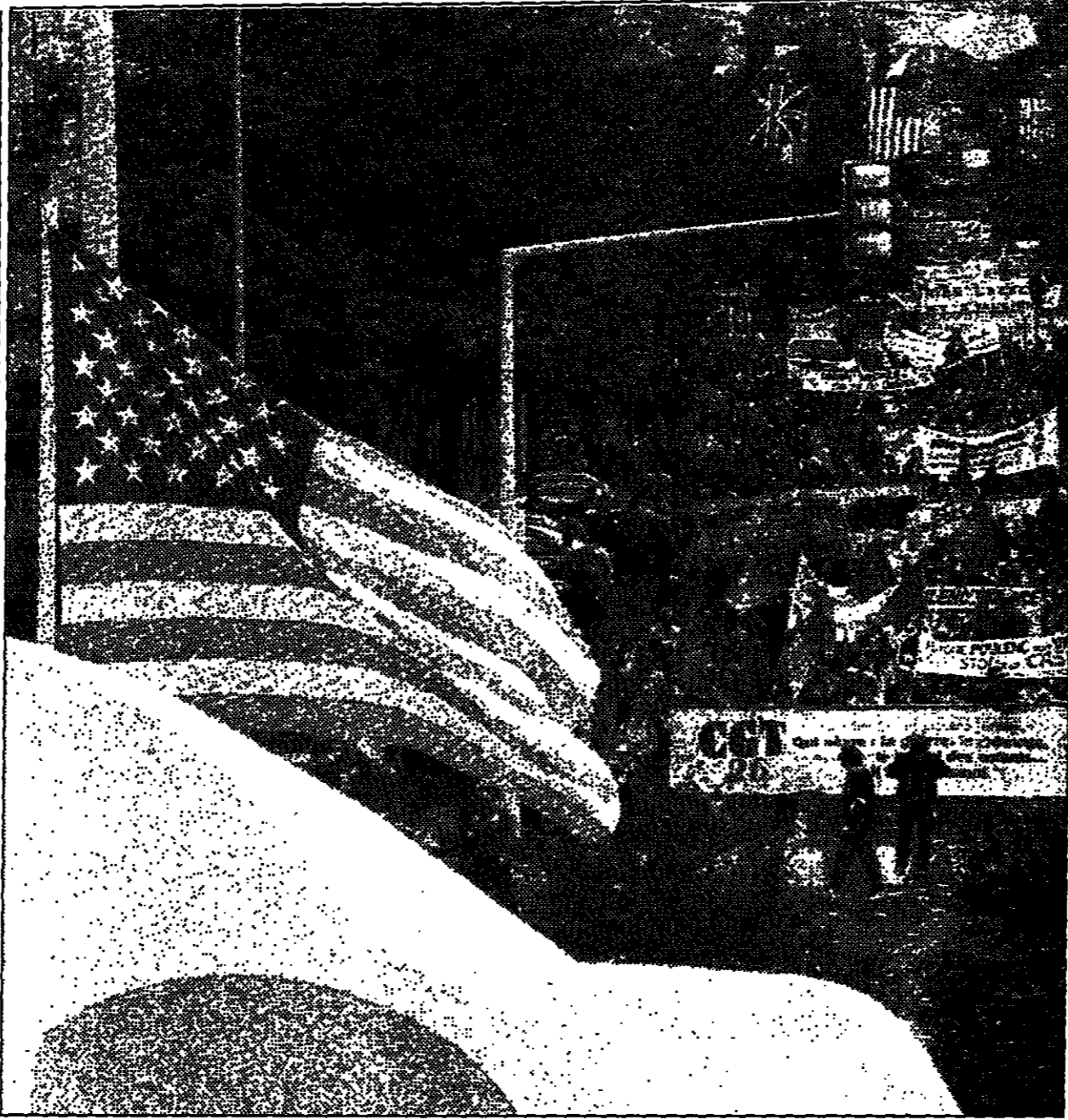
Washington has been urging its G7 partners to keep the issue low on the agenda, but anger over the controversial Helms-Burton bill on Cuba and slim prospects for compromise mean that pressure will be maintained.

'We would like to move on to other issues. We don't want this to hijack the summit'

US diplomat

ness with Iran and Libya by prohibiting their operations in the domestic market and excluding them from government contracts.

extension of the principle of "extra-territoriality". Britain, the US's largest trading partner in the EU, is also worried about the growing tendency for issues of international trade and foreign policy to be driven by a domestic political agenda.



Power struggle... US and Japanese flags wave as thousands protest against unemployment before the G7 summit in Lyon, France. Despite the social problems, the summit mood appears to be one of complacency. PHOTOGRAPH: MICHEL ELLER

IMF chief wants bigger union role

Michel Camdessus argues for a new spirit of co-operation to fight poverty, reports JULIE WOLF in Brussels

MICHEL Camdessus, managing director of the International Monetary Fund, yesterday used his first appearance before a trade union audience to argue that unions can play a key role in ensuring that globalisation does not lead to unemployment and deprivation.

view of many trade unionists that increased international trade and capital flows were undermining living conditions and incomes in the developed and developing world.

governments, employers and unions should work together to achieve these goals, said Mr Camdessus, a former governor of the French Central Bank.

IMF's role in promoting structural adjustment in developing countries. "Please don't accept the political propaganda of politicians" who blame the IMF and World Bank for their own failings, Mr Camdessus said.

Bombers set the agenda once again

Terrorism and unemployment still provide the background as latest talks open, say LARRY ELLIOTT and IAN TRAYNOR in Bonn

THE leaders of the West's seven most powerful nations could be forgiven for thinking that the world has come full circle when they gather in Lyon for their annual get-together this evening.

— that job creation depended on cutting costs and lowering taxes — would have been music to the ears of UK ministers. UK officials skated smoothly over the macro-economy in their summit briefings this week, asserting that there was a common belief in the British approach — low inflation, cutting budget deficits and tackling unemployment through a "more flexible" labour market.

As a result, when it comes to the economy, the G7 discussion is likely to be minimal, even perfunctory. That is despite the fact that the West is blighted by the highest unemployment since the 1930s and some countries are showing signs of severe dislocation.

There will be discussions on IMF gold sales, curbs on arms sales and the need to clamp down on drug barons, but on the global economy the talk will be of Japanese recovery and the bright future that beckons for continental Europe once public spending has been squeezed.

Deutsche signals seismic shift

IAN TRAYNOR in Bonn DEUTSCHE Bank, the country's biggest commercial bank and corporate giant, is planning to shed or trim some of its key industrial holdings in a move signalling a seismic shift in Germany's business culture.

sharply on the disclosure, which comes amid fevered debate in Germany over the relative merits of German-style corporatism against the Anglo-Saxon model of market-driven capitalism, and strongly suggests that top German industrialists are increasingly keen to go at least partly down the latter road.

the brink of bankruptcy after allegations of hundreds of millions of marks being lost through fraudulent accounting.

Deutsche Bank, which owns 46 per cent of KfW, was the key player in putting together a rescue package. The bank also owns 24 per cent of Daimler and around 20 per cent of Holzmann.

News in brief

Harvey Nichols in strong performance

HARVEY Nichols, the recently-floated Knightsbridge fashion store, unveiled a sparkling set of results for the year to the end of March. Pre-tax profits were up by 53 per cent to £9.15 million, boosted by increased sales at maintained profit margins, control over costs and higher interest earned on cash.

Telegraph shares go-ahead

HOLLINGER International, the newspaper group run by the Canadian media tycoon Conrad Black, yesterday got the go-ahead to proceed with its proposed buy-out of the minority shareholders in the Telegraph group.

Goodwill may depreciate

COMPANY balance sheets will be transformed if proposals published today, aimed at ending a long-running accounting wrangle, are accepted by the profession. The plan, published by the Accounting Standards Board (ASB), would add intangible assets acquired in a takeover to the buyer's balance sheet, and would require the sum, known as goodwill, to be depreciated like a normal asset over 20 years.

Abbey joins medical market

MORTGAGE lenders are about to swoop on the medical insurance market following a deal announced yesterday between the Abbey National and Norwich Union Healthcare. Abbey and Norwich Union — which controls a fifth of the medical insurance market — are to form a joint venture selling medical insurance policies through Abbey's branches.

Underside

Dan Atkinson

SIR Terence Burns, the Treasury's top mandarin, is an anxious man. Not, as one may have imagined, because a few billion has gone AWOL from the PSBR, but because his beloved Treasury Internet service has been short-listed as "Best Non-Commercial Site" of the year.

MONARCH Airlines can abandon hope of picking up the Nobel Peace Prize after an erratum issued in relation to its European Routes Map. "We have included Egypt twice... while completely omitting Israel altogether. This is a genuine error and we regret having caused of-

fence to any of our passengers.

WE take off our paper Eng-er-Land hats to the US delegation from Euro 96 sponsor Mastercard, whose members endured the distinctly un-American experience of attending the game against Spain at Wembley on Saturday.

CHERIE Blair QC, the UK's answer to Hillary Rodham, is popping up everywhere these days. But what sort of messages is she conveying through her choice of endorsements? Only last week, when her husband

was busy watering down Labour's proposals on workers' rights, Cherie appeared at a book launch as author of the foreword. Billed as a "leading employment barrister," she lent her imprimatur to the tome, entitled Negotiating Employment Agreements, which aims to "show anyone with a responsibility for personnel how to avoid falling foul of employment law" and to provide "an easy-to-use guide which will enable businesses of all shapes and sizes to avoid



100% Local Call Access AOL is the first online service to give you 100% local call access from anywhere in the UK! Call now and we'll also give you FREE software! FREE membership for a month! FREE 10 hours online! FREE technical support! Internet * Email * News * Sport * Entertainment * Games * Travel * Computing * Digital City * Chat * Kids * Finance * And More! All at 28.8k access nationwide! CALL 0800 279 1234 for your FREE trial pack today!

WIMBLEDON

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Beck

Rugby Union Twickenham under fire

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EURO 96 Under Czech break in sp...

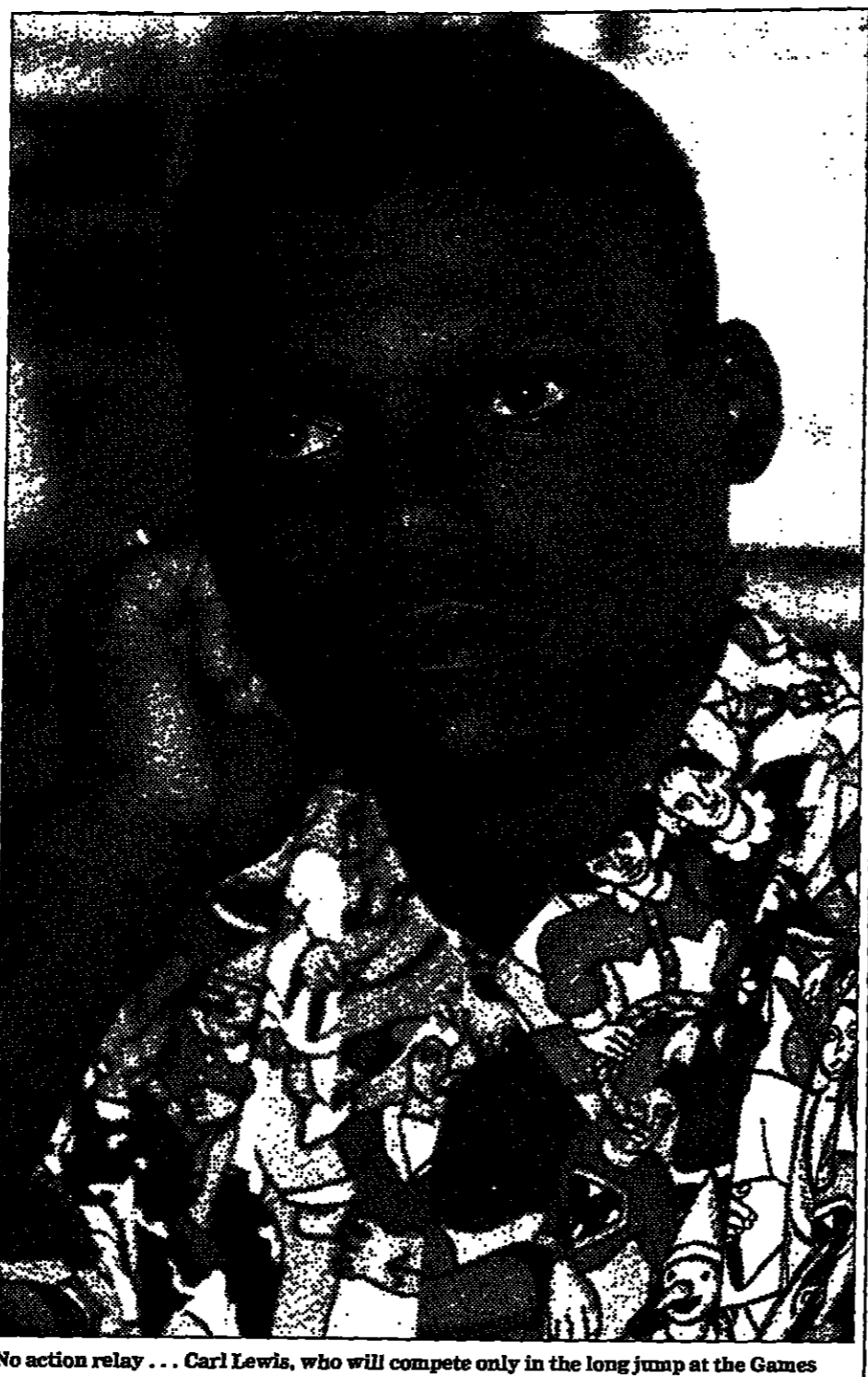
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German take good war to heart

John's s...

14 SPORTS NEWS Athletics Lewis denied chance to equal gold record

Carl Lewis is likely to be denied the opportunity of equalling the record of 10 Olympic gold medals, having passed over for the United States relay squad in Atlanta. He requires two more victories to match the achievement of Ray Ewry, who won all his medals at the start of the century in the long-jump since discontinued standing jumps, but he will compete only in the long jump when the coaches choose their 4x100 metres relay selection. Lewis finished last in the 100m at the US Olympic trials last weekend and the head coach Krv Hunt made him a reserve to the relay team of Dennis Mitchell, Michael Marsh, Jon Drummond and Leroy Burrell. "When you've got these kind of people in front of you, and you finish last, it's pretty tough to pass them over," said Hunt. "But Lewis could come into the team if one of the selected athletes were injured, gave up his relay spot or did not go to the pre-Olympic training camp in North Carolina. Mitchell, who led the 100m trial, followed by Marsh and Drummond. Burrell, the world record holder at the distance and Lewis's training partner, was selected despite finishing only sixth, because of his relay experience. "It will be the British triple jumper Jonathan Edwards, who will be seeking his first Olympic gold medal, feels a little more confident about his chances in Atlanta after returning to form in Helsinki on Tuesday when he leapt to the top of the world rankings with an effort of 7.92 metres. "It dispelled any doubts among the selectors about his fitness, after he missed the British trials in Birmingham with a bruised heel and sore knee. Now he is relishing his first appearance of the year in front of his home fans at Sunday's Bupa Games in Gateshead. "I will be going into that meeting a lot happier," he said. "Obviously the main battles are ahead, but this was certainly a step in the right direction. The most pleasing thing is that a bit of the spark which has been missing in my jumping is back. Eighteen metres didn't feel a million miles away." But everyone at the Helsinki meeting was overshadowed by Namibia's Frankie Fredericks, whose 57sec meant he joined Linford Christie as the third-fastest 100m runner. Only Burrell (9.85) and Lewis (9.86) have gone faster. Fredericks, who has been training with Christie and the Jackson this year, is still unsure whether to stick both sprints in Atlanta or concentrate on the 200m. But he is certain that Christie, who is expected to announce on Monday whether he will defend the 100m title, still has what it takes. "I can do that time. Linford can certainly repeat it or go even faster," he said.



No action relay... Carl Lewis, who will compete only in the long jump at the Games

Racing Tregaron in with a sound chance

Calver, Tregaron, like so many handicappers before him, improved dramatically for the switch to Acheburst, trotting up by three and a half lengths in a 31-runner race at Ascot in May. Samba Sharply, the runner-up that day, has a 10lb pull in the weights with Tregaron but has shown nothing in subsequent starts and is tried in blinkers next. Tregaron (2.00) may have been unsettled by soft ground when only fifth behind Amrak Ajeeb next time out, but with his stable in better form now he should return to winning ways. Richard Quinn, rider of Tregaron, can go on to complete a Salisbury treble on Falkenham (3.30), a highly regarded Paul Cole juvenile, and Russian Sable (4.30). He also has a good chance of following up with Clan

Duffield banned four days after ringing the bell on Habeta

George Duffield was suspended four days (July 5-9) for unreasonable use of the whip on Habeta in the Carlisle Bell yesterday. The ban means that Duffield will miss the opening day of the big Newmarket July meeting but will be eligible to ride Pivotal in the July Cup, which is on the third day of the meeting. Habeta responded gallantly to Duffield's urging with the 10-year-old beating Spanish Verdict by a short head. The winner was Bill Watts's fourth success in the race which is the oldest handicap in the racing calendar. Watts, whose previous successes were Kithairon (1980), Handlear (1987) and Overpower (1989), had advised owner Rod Bickenson that Habeta's best days were over. "Two years ago I wanted to retire him but the owner would have none of it," said Watts. "Last season it was a struggle to find a suitable race for him and now he has won two races in a row and climbed the ratings. I must be doing something right."

Salisbury card with guide to the form

Table of race results and form guides for Salisbury, including race numbers, names, and odds.

Newbury tonight

Table of race results and form guides for Newbury, including race numbers, names, and odds.

Carlisle

Table of race results and form guides for Carlisle, including race numbers, names, and odds.

Uttoxeter (N.H.) tonight

Table of race results and form guides for Uttoxeter (N.H.), including race numbers, names, and odds.

Results

Table of race results for various tracks, including race numbers, names, and odds.

Salisbury card with guide to the form

Table of race results and form guides for Salisbury, including race numbers, names, and odds.

RACELINE 0930 168+ COMMERCIAL SALISBURY 101 CARLISLE 102 NEWBURY 103 UTTOXETER 104

EURO 96: THE SEMI-FINALS

Czech Rep 0, France 0 (aet; Cz 6-5 on pens)

Underdog Czechs break out in spots

Ian Ross at Old Trafford

AS EVER, winning remains all in football, no more so than in major tournaments, where there are no grey areas. However unattractive may have been their passage, the Czech Republic this morning find themselves, improbably, in the final of the European Championship.

The scenes of uncontained joy that followed what was a rather hollow triumph in a penalty shoot-out may perhaps go some way to disguising what had preceded an inevitably tense climax. But, by a distance, the celebration was more compelling than the match.

It was as poor as that: an afternoon of countless errors, and the competition's third fixture to stumble through an extra period without yielding a "golden goal".

In 1976 the Czechs won the title they will now contest at Wembley on Sunday by defeating the then World Cup holders West Germany on penalties. Yesterday their greater accuracy by 12 yards was to be as decisive.

After both teams had converted their allotted five kicks the France substitute Reynald Pedros drove tamely into the legs of Petr Kouba. The Gallic dream was over.

The Czech centre-back Miroslav Kadlec was promptly ushered forth from a group standing in the centre circle to strike his side's sixth, and final, kick. It flew in and, to the delight of romanticists world over, a team seemingly invited along to the great party to make up the numbers were home and dry.

The game was never pretty and always hugely disappointing. Both sides resembled untidy collections of spare parts, for injury and suspension had conspired to rob the occasion of many gifted contributors.

Four punished Czech-mates huddled together on a touch-line that also played home, unexpectedly, to France's Didier Deschamps, who had succumbed to a calf injury earlier in the day.

The Czechs again played with a robust freedom but, in the French, they met a level of preparedness they had hitherto not encountered. Even without Deschamps, France soaked up the Czechs' more fluid assaults like a dry sponge. Unfortunately for those neutrals in a paltry crowd the Czechs had been similarly diligent and a reshaped defence coped admirably and without discomfort during what was a torturous opening hour.

A quite wretched spectacle had crawled on its belly to the 54th minute before a shot was on target. The Czech forward Douda's rather lazy and unconvincing drive flew straight into the mitt of the French goalkeeper Lama, but the malcontents in the expensive seats were grateful for small mercies.

The sarcastic applause rolled down the barren stands like morning mist, and at last the message held therein seemed to prick the consciences of some of those wearing boots.

In relative terms what followed was a positive feast of open and attacking football.

For 10 glorious minutes the Czech defence resembled a rabbit transfixed by the headlights of an oncoming car. They stood and watched bemused as France had the audacity to try to win the tie without recourse to extra-time.

Djorkaeff was twice unfortunate, clipping the top of the crossbar with a rising drive and then sweeping a volley fractionally too high.

Fatigue, and fatigue alone, was to ensure that the trial of extra time came to represent something of a lighter load.

There was much huffing and puffing, a couple of half-chances and the Czechs' first corner of the match, but little else. Somehow the afternoon had always seemed destined to be decided by a lottery.

For France, the disappointment was that the tournament's great underdogs were found to be clutching the winning ticket.

FRANCE: Lama; Thuram (Anglois, Siboni, Blanc, Roche, Lizarazu, Larroussi, Pedros, 82, Desailly, Zidane, Guerin, Djorkaeff, Loko.

CZECH REPUBLIC: Kouba; Horak, Kadlec, Brest, Svec, Beran (Beran, 65), Mareschal, Novotny, Poborsky, Nedved, Marvan (Koubek, 84), Drazek (Koubek, 79), Sestak (L. Mladran (Scotland).

How the Czechs won

Table with 2 columns: Player, Outcome Score. Rows include Zizkov (Goal), Liscak (Goal), Douda (Goal), Svec (Goal), Kouba (Goal), Kadlec (Goal), Beran (Goal), Horak (Goal), Marvan (Goal), Nedved (Goal).



Un-Czeched joy... the Republic's jubilant players celebrate their place in the final after Kadlec converted the sixth and winning penalty

Cool Kadlec summons the spirit of '76

Michael Walker witnesses a depressingly familiar story of empty seats and an uninspiring match with a finale of false excitement

IT IS coming home, football is coming home. Ever since Gary McAllister missed his 78th-minute penalty at Wembley almost a fortnight ago we have been subjected to this assertion.

The increasing frequency and volume of its delivery, however, should not detract from the plain fact that football has not come home; if anything, this tournament has proved the opposite.

Spain versus Bulgaria in Leeds, the first played away from Wembley, one of the tournament's most striking images has been of empty seats. At Elland Road for that first Group B match the row upon row of unfiled places was genuinely shocking and even, for non-Englishmen and women, embarrassing. But that initial shock turned to numbness after visits to St James' Park, Anfield, Hillsborough, the City Ground,

Manchester, how many ordinary Joes can afford £70 to watch a football match? Euro 96 is football in the corporate community, and the roar of disbelief that rang round Old Trafford when the official attendance of 43,877 was announced was further proof of the huge miscalculation on tickets and pricing.

Both sets of players must have been suitably underwhelmed by the reception they got, but their collective performance was outstandingly uninspired. The opening half was as tedious as the rip-off programmes costing £4. The first corner came in the 45th minute, the first save nine minutes after half-time.

Bernard Lama made that but at the other end Petr Kouba had to wait until four minutes into extra time before he made one. Kouba had been unable to get close to Djorkaeff's rasper that struck the bar earlier, the only time a goal looked possible in normal time. And yet considering the French display against the Dutch, when they conjured a stop from Edwin van der Sar only after 105 minutes, we should have expected as much.

DIARY

Germans take cod war to heart

WE'RE not sure if we should tell you this, because the Guardian has a bit of a history so far as cod faxes written on House of Commons notepaper are concerned. This is risky territory, you understand. However, it has come to our attention that the London office of the German Football Federation yesterday received such an item from a group calling itself The Parliamentary Union of British Interests.

It was addressed to Bert Vogts and went like this: "Through misguided arrogance you appear to believe that in some way you are superior to other countries. However, this certainly does not apply to Britain. Let me remind you that it was Great Britain who thrashed you in 1918, 1945 and 1966. We only lost in the 1970 finals because our goalkeeper was ill. It is now a matter of record that his drinks had been tampered with the day before the match. Who would carry out such a despicable act? Only a party who stood to gain.

Brooke's chagrin, Redmapp neither answered the letter nor bought the midfielder for the £200,000 he would have cost. His name was Karel Poborsky. After Euro 96 he will probably be sold for £3 million.

AS SEEN at Wembley last night: David Seaman sticking on moustaches. Coming soon: the Tony Adams nose and Gareth Southgate ears.

Couto could soon belong to Rangers

RANGERS are on the verge of paying £4 million for Fernando Couto, Parma's 26-year-old Portuguese international defender who has also attracted the interest of Manchester United.

World news, delivered to your door. The Guardian International and the Observer are both now available by subscription throughout France.

Golf

Lion's share for Montgomerie as French relent

THE French are nothing if not pragmatic. After refusing steadfastly for years to pay appearance money to the top players, and seeing the French Open suffer as a consequence, the organisers have performed a volte-face this year.

Montgomerie, who has not played in the Peugeot-sponsored event since 1993, has agreed a performance-related deal. He has been paid £20,000 for his appearance this week, next year his fee will be doubled, and the following season he will receive £80,000; should he win a major this year, or next, £20,000 will be added to those payments.

outlined to France's leading amateurs the secrets of successful tournament golf. The money being paid not by the sponsors nor the promoter Lionel Provost but by the French federation, at whose headquarters the event has been staged for the past five years.

Claude-Roger Cartier, the retiring French federation president, said: "It is important for the European No. 1 to be involved with the French Open. For us it was a gamble, but if you wanted to pick someone who will become a major champion you would choose Colin. And it is

cheaper to sign him now than after he has won that title." Montgomerie had hoped at the recent US Open at Oakland Hills to rid himself of the tag as the best player not to have won a major, but he shared 10th place.

newly-wed I would have gone to the USA by now to get that confidence on their good greens. But golf will never be the No. 1 thing in my life. My family are my first priority.

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Seles suffers shock defeat, page 13

Lewis denied his golden shot, page 14

Milligan not yet spiked, page 13

Penalties send Czech Republic into final, page 15

SportsGuardian

EURO 96: THE SEMI-FINALS

Germany 1, England 1 (after 90min and extra time; Germany won 6-5 on penalties)

England pay the ultimate penalty

David Lacey

ENGLAND suffered penalty heartache yet again last night when Gareth Southgate saw his kick saved by Germany's Köpke. It brought back all the memories from Italia 90 when England also lost a shoot-out to the Germans. No one dreamt it could happen again. It did.

Last night's match was billed as a semi-final yet had a feel of finality about it. The Czech Republic, horses so dark nobody saw them coming, awaited the winners at Wembley on Sunday, but for England the occasion was about restoring some sort of parity to the history of their encounters with the Germans.

Terry Venables decided against replacing one Neville, the suspended Gary, with another, his younger brother Phil. It was probably never a serious option. Instead, Ince, banned for the Spain match, simply returned to the side, leaving England to play three at the back.

It was a bold approach by Venables, although in view of Bertie Vogts's choice of team it looked logical enough. As Venables had suspected, Kuntz, coming in for the injured Klinsmann, was the Germans' lone striker with Möller in support.

In less than three minutes, after two minutes and 12 seconds in fact, boldness had been rewarded. With the Germans retreating on masse Ince unleashed a dipping shot from 30 yards which almost caught Köpke by surprise. The German goalkeeper, his country's best puncher since Max Schmeling, managed to fist the ball over the bar, but he was soon having to fish it out of the net.

Gascoigne's corner from the left found the head of Adams, the England captain



Hall the equaliser... Kuntz turns away after putting Germany level

glanced it down waist-high, and Shearer hurried himself forward to nod the ball past Köpke. Wembley rubbed its eyes. This was too good a start to be true.

So it was soon to prove. The Germans spent the next dozen or so minutes consolidating, then they scored with their first properly co-ordinated attack just past the quarter-hour.

The move was simplicity itself and owed everything to slick passing and running. Möller found Helmer, his pass caught England's defence square and undermanned,

and Kuntz slipped in front of Pearce to beat Seaman with a cool flick of an instep.

Now Germany were playing the more relaxed football, infiltrating England's cover almost at will with Ince struggling to keep track of Möller, with Freund and Illits blocking the paths of Gascoigne and Platt, and with Ziege an ominous presence on the left wing.

As the half wore on, England's lack of a regular right-back further encouraged the Germans to attack down their left flank. With Möller a consistent threat as he drifted

into spaces behind England's midfield, and Gascoigne a liability whenever he gave the ball away, Venables's team looked increasingly uncomfortable when the opposition broke away.

Against that, England continued to promise themselves a second goal. In fact one all but arrived 12 minutes before half-time. Sheringham turned on Anderton's low corner from the right and aimed a well-struck shot towards the inside of the near post only to see it blocked by Helmer.

England all but ended the first half as they had begun it.

The width of Venables's attack allied to the acceleration of Anderton and McMannan, frequently stretched Germany's stifling cover. Three minutes from the interval it almost regained England the lead.

Platt dispossessed Ziege on the right, Anderton squirmed away from Illits and from his centre Shearer rose to head a fraction wide of the left-hand post.

Scholl, gathering a ball played inside by Kuntz and swaying past two opponents before he was stopped, quickly reminded Wembley of just how costly such misses could prove.

England began the second half with a more studied tempo, concentrating more on patient possession. It was as if they had been told to save their legs by making the ball do more of the work.

There was a bounce and a buoyancy about England's football. Ince was beginning to master the midfield and soon produced another ambitious drive which dipped over the bar.

Germany looked subdued, which is always a dangerous sign. Sure enough, a pass from Ziege and an explosion of pace from Illits turned England's defence on the left just before the hour. A queue of Germans awaited his ball back from the byline, but Helmer's shot was too high.

The match was becoming a classic. In the 82nd minute the Gascoigne of old, chest thrust out, dribbled through the defence to the right-hand byline before his cross was cleared.

The confidence with which so many England players were taking on defenders with the ball was infectious. But they badly needed a goal.

ENGLAND: Seaman; Southgate, Adams, Pearce, Anderton, Platt, Ince, Gascoigne, McMannan; Sheringham, Shearer, Babbel, Helmer (80); Illits (11), Ziege, Scholl (45), Kuntz, Freund (30), Illits, Möller, Köpke. (Hungary).



Feeling the strain... Shearer and Helmer express the heat of challenge

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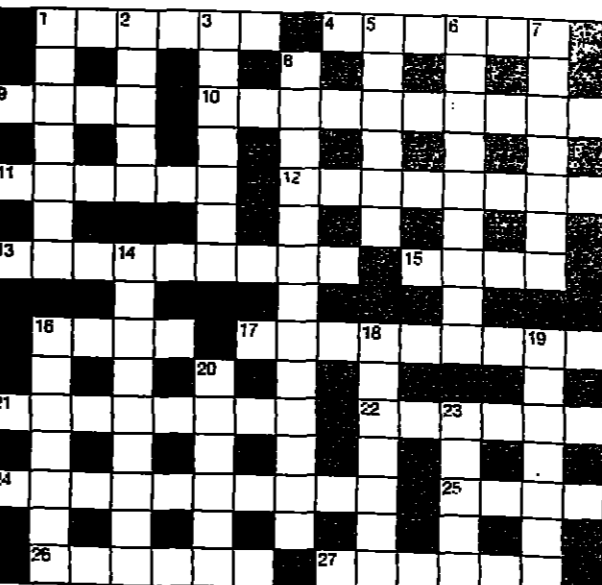
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- Across**
- 1 Opening seed (6)
 - 4 Jolly close hugging Ethel (6)
 - 9 Work that could be its alternative (4)
 - 10 11 when short craftily takes each penny (10)
 - 11 9 this and nothing wins (6)
 - 12 Fried chips are heavenly! (6)
 - 13 Olive branch waved, but no end to the war — we just have to do with a breather (9)
 - 15 Atmospheric gas put into container which may go up with it (4)
 - 16 Sea bird backs others (4)
 - 17 Dines out with pigs, feeling superior (9)
 - 21 Member of press gang with 1 ar, going back and forth round the harbour (8)
 - 22 Hardly material for a cover picture (6)
 - 24 Heat and cold in test of 9 perhaps (10)
 - 25 Grass where biblical character started his construction (4)
 - 26 Half the academy is at Maidenhead — it's split (6)
 - 27 My clue could be 24 (6)
- Down**
- 1 Tommy could be one in soft metal (7)
 - 2 Passage quoted for cunning exercises? (5)
 - 3 Honour found in some calculating Scottish 9 (7)
 - 5 Prime English delusion? (6)
 - 6 Prepare to be a surveyor? (4,5)
 - 7 (7)
 - 8 Press torture? (9,4)
 - 14 Patient with negative progress to common currency? (9)

- 16 Gets angry when coming to understand the point (7)
 - 18 Ordered to pay £10 fine (7)
 - 19 There's no way odd spirit can find a remedy (7)
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